SAN FRANCISCO PUBLIC LIBRARY
3 1223 06446 3699

5/S

San Francisco Public Library

Government Information Center
San Francisco Public Library
100 Larkin Street, 5th Floor
San Francisco, CA 94102

REFERENCE BOOK

Not to be taken from the Library

SAN FRANCISCO
PORT COMMISSION

DOCUMENTS DEPT.

JUN - 7 2001

SAN FRANCISCO
PUBLIC LIBRARY

REGULAR MEETING
4:00 P.M., TUESDAY, JUNE 12, 2001
BAYSIDE CONFERENCE ROOM
PIER 1, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - May 22, 2001 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report
   - Hyde Street Harbor Opening

   B. Commendation for three Maintenance Employees on their retirement: Harold Poulsen, John Miller and Larry Bean.

4. **MARITIME**

   A. Request for approval of CEQA Findings for the Bode Gravel Company and Mission Valley Rock Maritime Industrial Lease as analyzed in the Southern Waterfront Program Supplemental EIR which supplements the Waterfront Land Use Plan Final Program EIR. (Resolution No. 01-44) (Staff report provided to the Commission)

   B. Request for approval of Maritime Industrial Lease with Bode Gravel Company and Mission Valley Rock for space at Pier 92 for use as a maritime bulk cargo terminal and concrete ready-mix facility. (Resolution No. 01-45) (Staff report provided to the Commission.)

   NOTE: The environmental impacts of the proposed lease were addressed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified on January 9, 1997, and the Southern Waterfront Program Supplemental EIR, certified on February 15, 2001, pursuant to the California Environmental Quality Act (CEQA).

   C. Request for approval of the First Amendment to Pacific Marine Yachts Charters, LLC Lease No. L-12938. (Resolution No. 01-43) (Staff report provided to the Commission.)

3 1223 06446 3699

5. PLANNING & DEVELOPMENT

A. Request for authorization to issue a Request for Proposals to solicit Consultant Services for the preparation of a Northern Waterfront historic district nomination to the National Register of Historic Places. (Resolution No. 01-46) (Staff report provided to the Commission.)

6. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

7. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) Discussion of Executive Director's Compensation for Fiscal Year 2001/2002.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTERS (DISCUSSION ITEMS):

a. Discuss existing litigation matters pursuant to subdivisions (a) and (d) of the California Government Code Section 54956.9 (2 cases).

- F. Alioto Co. v. CCSF; Superior Court Case No. 318360.
- CCSF v. Commonwealth Ins. Co. et al Santa Clara Superior Court No. CV 794046.

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Pier 30/32 and SWL 330
Person Negotiating: Port: Byron Rhett, Director of Planning & Development
*San Francisco Cruise Terminal LLC: Glen Elkington

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 30/32 & SWL 330.

b. Property: Piers 70
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Waste Resources Technologies:. Jack Isolo

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to give direction to staff regarding real estate negotiations for Port property located at Pier 70.

c. Property: Pier 45, Shed B-1 and Wharf J-3
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Alioto's Restaurant: Nunzio Alioto
*Nick's Lighthouse: Jeffrey Pollock
*Sabella & Latorre: Frank Sabella
*The Crab House: Francis Chu

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to give direction to staff regarding real estate negotiations for Port property located at Pier 45, Shed B-1 and Wharf J-3.

d. Property: 1201 Illinois Street, between Humboldt and 23rd Streets
Person Negotiating: Port: Byron Rhett, Director of Planning & Development and Mark Lozovoy, Asst. Deputy Director of Real Estate
*Potrero Power Plant (Mirant Americas Development, Inc.): Mark Harrer

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to give direction to staff regarding real estate negotiations for Port property located at 1201 Illinois Street, between Humboldt and 23rd Streets.

8. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

9. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's Website at www.sfport.com.

2 50351 SFPL: ECONO JRS
45 SFPL 04/09/04 105

SAN FRANCISCO
PORT COMMISSION

REGULAR MEETING
4:00 P.M., TUESDAY, JUNE 12, 2001
BAYSIDE CONFERENCE ROOM
PIER 1, S.F. 94111

DOCUMENTS DEPT.

JUN - 8 2001

SAN FRANCISCO
PUBLIC LIBRARY

ADDENDUM

7. EXECUTIVE SESSION

(B) CLOSED SESSION

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8. ***This session is closed to any non-City/Port representative.****

e. Property: Piers 27-31
Person Negotiating: Port: Byron Rhett, Planning & Development Director
*The Mills Corporation: Edward B. Vinson

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 27-31.

f. Property: South Beach Harbor
Person Negotiating: Port: Byron Rhett, Planning & Development Director
*S.F. Redevelopment Agency: Jim Morales, Director

Under Negotiation: ___ Price ___ Terms of Payment _X_ Both
An executive session has been calendared to discuss real estate negotiations regarding property located at South Beach Harbor.

JUNE/JULY 2001
CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
June 12	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1
June 26	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1
July 10	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1
July 11	11:30 p.m.	Maritime Commerce Advisory Committee	Bayside Conference Room @ Pier 1
June 24	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m., unless otherwise noticed, in the Bayside Conference Room @ Pier 1. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda. ***The Commission Agenda and the staff reports are also posted on the Port's Website @ www.sfport.com.***

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings. Contact Person: Alec Bash @ 274-0539.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Person: Kirk Bennett @ 274-0545.

Please contact Jill Simpson @ 274-0519 for the Maritime Commerce Advisory Committee meeting schedule.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Person: Kirk Bennett @ 274-0545.

The Pier 70 Advisory Group meets monthly on an as-needed basis generally on the 2nd Wednesday of the month from 4 to 6 p.m. at the Potrero Campus of the California College of Arts and Crafts, Board Room, 1111 – 8th Street between Irvin and Hooper. Contact Person: Mark Paez @ 705-8674.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 or 749-2400 for more information.

The Southern Waterfront Advisory Committee (SWAC) meets every 4th Monday of the month. Location to be determined. Contact Person: Braj Norris @ 274-0540.

The Waterfront Design Advisory Committee meets the 3rd Tuesday of the month from 11 a.m. to 1 p.m. in the Bayside Conference Room @ Pier 1. Contact Person: Dan Hodapp @ 274-0625.

Port Website: Check out the Port's Website at www.sfport.com.

ACCESSIBLE MEETING INFORMATION

Getting to Pier 1:
Pier 1 on the Embarcadero, at the foot of Washington St. The Embarcadero Station is the closest BART and MUNI Metro stop, located below Market St. at Drumm & Spear Streets. The nearest F-Line streetcar stop is on the Embarcadero at Washington St. MUNI bus lines serving the Pier 1 area are the 9, 31, 32 and 71. For more information about MUNI accessible services, call (415) 923-6142.

The nearest accessible parking is provided in the following off-street pay lots:
A) 1 space in the surface lot on the west side of the Embarcadero at Washington St.
B) 3 spaces in the Pier 1/2 lot, located on the east side of the Embarcadero between the Ferry Building and Pier 1. During business hours this lot is operated by valets
C) Hourly and valet parking in the Pier 3 lot. This lot is accessed through the Pier 3 bulkhead building entrance on the east side of the Embarcadero. This lot is located on the pier deck; adjacent to the ferry boat Santa Rosa.

Additional covered accessible off-street pay parking is available in the Golden Gateway Garage, which is bounded by Washington, Clay, Drumm and Battery Streets. Entrance is on Clay St. between Battery and Front Streets. There is no high-top van parking.

Metered street parking is available on the Embarcadero, Washington St. and Drumm St.

Pier 1:
The Port's fully accessible offices are in the west end of Pier 1. There are two public entrances; the main entrance on the west (Embarcadero), and the Port History walk entrance on the south apron. Each of these entrances is provided with an automatically operated door. Both entrances lead to the Commission Bayside meeting room. Accessible public restrooms, drinking fountains, payphone and TTY are on the first floor near the main entrance. The public spaces of the Port's offices are equipped with remote infrared signage (Talking Signs) identifying all primary entrances, paths of travel, meeting rooms and amenities. Accessible seating areas and assistive listening devices will be available in the Commission meeting room.

Accessible meeting information policy:
In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

A sign language interpreter and alternative format copies of meeting agendas and other materials can be provided upon request made at least 72 hours in advance of any scheduled meeting. Contact Kevin Jensen, ADA Coordinator, at 274-0555. The Port's TTY number is (415) 274-0587.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

MEMORANDUM

June 6, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of CEQA findings for the Bode Gravel company and Mission Valley Rock Company Maritime Industrial Lease at Pier 92 (Resolution 01-44)

DIRECTOR'S RECOMMENDATION: Approve Resolution 01-44

Bode Gravel Company and Mission Valley Rock Company (Bode/Mission Valley) have formed a joint venture and propose to enter into a lease with the Port at Pier 92 for a ready-mix concrete plant and importation of aggregate through the existing dry bulk marine terminal currently under lease to Mission Valley Rock Company. The uses in the Bode/Mission Valley Lease would be restricted to Mission Valley's existing sand reclamation and processing operations, importation of other aggregates, and Bode's concrete manufacturing operations, which require the sand and aggregate materials. The activities under the proposed lease, together with other uses, were analyzed in the Southern Waterfront Final Supplemental Environmental Impact Report (SEIR), San Francisco Planning Department Case No. 1999.377E, certified on February 15, 2001.

Pursuant to the requirements of the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq., (CEQA), the Guidelines for Implementation of CEQA, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines) and Chapter 31 of the San Francisco Administrative Code, the Port Commission must review and consider the information contained in the SEIR, and adopt findings prior to approving any uses analyzed in the SEIR. Accordingly, the "Findings of the Port Commission Affirming the Bode Gravel Company/Mission Valley Rock Company Lease" ("Findings") are attached to this staff report for Commission review and adoption. The Findings include 1) a description

This Print Covers Calendar Item No. **4A**

of the Bode/Mission Valley project; 2) discussion of the SEIR; 3) discussion of the Waterfront Land Use Plan Final EIR, to which the SEIR supplements; 4) the disposition of each of the mitigation measures identified in the SEIR, including those that would be required as conditions of the Bode/Mission Valley Lease; 5) Significant Impacts concluded in the SEIR; 6) discussion of the SEIR Alternatives and reasons for their rejection; and 7) a statement of overriding considerations explaining the reasons for Port Commission approval of the Bode/Mission Valley Lease.

The Findings include two supporting exhibits. Exhibit 1 contains those SEIR mitigation measures, presented in their entirety, which would be required under the Bode/Mission Valley Lease. Where mitigation measures have been modified, as discussed in the Findings, such changes are indicated with additions underlined, and deletions struck out. Exhibit 2 consists of a Mitigation Monitoring and Reporting Program (MMRP), which would be adopted by the Commission as required by Section 21081.6 of the Public Resources Code. The purpose of the MMRP is to determine the stage at which each of the adopted mitigation measures must be imposed to ensure that the measure is carried out.

Submitted by: Diane Oshima
Manager, Waterfront Planning

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-44

ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT RELATED TO THE APPROVAL OF A LEASE WITH BODE GRAVEL COMPANY AND MISSION VALLEY ROCK COMPANY FOR THE IMPORTATION OF AGGREGATES AND A CONCRETE BATCH PLANT AT PIER 92

WHEREAS, The Southern Waterfront Final Supplemental Environmental Impact Report (SEIR), San Francisco Planning Department Case No. 1999.377E was certified on February 15, 2001, which supplemented the Waterfront Land Use Plan Final EIR, certified on January 9, 1997; and

WHEREAS, The Project analyzed in the SEIR included a series of proposed lease uses, Port infrastructure projects and potential development assumptions on Port-owned property located in the Southern Waterfront, from Pier 70 to India Basin; and

WHEREAS, The SEIR Project included a proposed concrete batch plant by Bode Gravel Company and associated importation of aggregates through the existing Pier 92 dry bulk marine terminal operated by Mission Valley Rock Company, which uses are now included in a proposed lease with Bode Gravel Company and Mission Valley Rock Company ("Bode/Mission Valley Lease"); and

WHEREAS, Pursuant to the requirements of the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq., (CEQA), the Guidelines for Implementation of CEQA, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines) and Chapter 31 of the San Francisco Administrative Code, the Port Commission must review and consider the information contained in the SEIR, and adopt findings prior to approving the Bode/Mission Valley Lease for the uses described above; and

WHEREAS, Project Environmental Impact Report files have been made available for review by the Port Commission and the public, and these files are part of the record before the Port Commission; and

WHEREAS, That the Port Commission has reviewed and considered the information contained in the SEIR; and

WHEREAS, Under CEQA Guideline Section 15162, no new information of substantial importance has become available, no modification to the project has occurred that would require important revisions to the SEIR, and no substantial changes have occurred with respect to the circumstances under which the project is undertaken, since the Planning Commission certified the FEIR, therefore, there is no need to prepare an addendum or supplement to the SEIR or recirculate the SEIR; now, therefore be it

RESOLVED, That the Port Commission hereby adopts CEQA findings, and a Mitigation Monitoring and Reporting Program, as required by Section 21081.6 of the Public Resources Code, and as attached to this Resolution 01-44 ("Findings Affirming the Bode Gravel Company/Mission Valley Rock Company Lease"; Exhibit 1: SEIR Mitigation Measures Required as Conditions of the Bode/Mission Valley Lease; and Exhibit 2: Bode/Mission Valley Lease Mitigation Measure Monitoring Program), including findings with respect to the environmental mitigation measures identified in the SEIR, the project alternatives, the potential significant environmental effects of the Project, as approved, and a statement of overriding considerations supporting the decision to approve the Bode/Mission Valley Lease.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 12, 2001.

_____
Secretary

FINDINGS OF THE PORT COMMISSION AFFIRMING THE BODE GRAVEL COMPANY/MISSION VALLEY ROCK COMPANY LEASE

I. INTRODUCTION

The following findings are hereby adopted by the Port Commission pursuant to the requirements of the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq., (CEQA), the Guidelines for Implementation of CEQA, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines) and Chapter 31 of the San Francisco Administrative Code.

These findings are adopted, and incorporated by reference, in the Port Commission Resolution 01-45, dated June 12, 2001, approving a lease on Pier 92 with Bode Gravel Company and Mission Valley Rock Company.

These findings are based on the Port of San Francisco Southern Waterfront Final Supplemental Environmental Impact Report (SEIR), certified February 15, 2001. The SEIR provides a comprehensive evaluation of impacts of specific leases, Port infrastructure projects and a program of other potential activities on Port property in the Southern Waterfront area. The SEIR supplements the Waterfront Land Use Plan Final Environmental Impact Report, certified January 9, 1997.

The findings contain the following sections:

Article II is the Description of the Record. The Bode Gravel Company and Mission Valley Company Project Lease ("Bode/Mission Valley Lease") and its relationship to the project analyzed in the SEIR is generally described in Article III, below. Article IV sets forth findings as to the disposition of each of the mitigation measures proposed in the SEIR. These findings fall into five categories: (1) measures adopted by the Port Commission exactly as proposed in the SEIR and which can be implemented by the Port Commission, (2) measures adopted by the Port Commission exactly as proposed in the SEIR and which will be implemented as a condition of the Bode/Mission Valley Lease, (3) measures adopted by the Port Commission with modifications as a condition of the Bode/Mission Valley Lease, (4) measures recommended by the Port Commission for adoption and which are enforcable by city agencies other than the Port Commission, and (5) mitigation measures proposed in the SEIR which the Port Commission rejects because the measures are not applicable to the uses or activities proposed in the Bode/Mission Valley Lease. Where measures are modified, the modified language is indicated in the text. Exhibit 1, attached to these findings, contains the full text of the SEIR mitigation measures that will be implemented as part of Port Commission approval of the Bode/Mission Valley Lease. Where mitigation measures have been modified, as described below in Article IV, the modifications have been indicated (additions are underlined; ~~deletions are shown with strike through~~). Exhibit 2 contains the Mitigation Monitoring and Reporting Program. Article V of this document addresses the

SEIR alternatives and the reasons for the Commission's rejection of those alternatives in the context of approving the Bode/Mission Valley Lease. Article VI identifies the significant adverse environmental impacts (including the unavoidable significant adverse impacts) to which the Bode/Mission Valley Lease would contribute, which have not been mitigated to a level of insignificance by the adoption of mitigation measures as provided in Article V above. Article VII contains a Statement of Overriding Considerations, setting forth specific economic, social and other reasons in support of the Port Commission's approval of the Bode/Mission Valley Lease.

II. DESCRIPTION OF THE RECORD

Location and Custodian of Record.

The public hearing transcripts, a copy of all letters received during the public review period, the administrative record, and background documentation of the SEIR are located at the Planning Department, 1660 Mission Street, San Francisco. The Planning Department is the custodian of record.

Findings are based on substantial evidence contained in the record before the Port Commission. For ease and clarity of reading, specific citations to information in the record upon which each finding is based may have been omitted. In all instances, however, these findings are based on the information contained in the SEIR, as supplemented with information provided by the applicant, consultants, and interested parties, and reasonable inferences drawn from such information, identified below. Much of this information was cited in the SEIR; all of this information has been and will continue to be available for public review at the offices of the San Francisco Planning Department and/or the Port of San Francisco.

For purposes of CEQA and these findings, the record before this Commission includes, without limitation, the following:

A. All application materials and supporting documents submitted by the Project Sponsor, Bode Gravel Company;

B. The Waterfront Land Use Plan Final EIR, and associated CEQA Findings adopted by the Port Commission in June 1997;

C. The SEIR, including the Draft SEIR, comments received on the Draft SEIR, Responses to Comments, staff initiated text changes to the SEIR, and all appendices;

D. The Mitigation Monitoring and Reporting Program for the Bode Gravel Company Lease;

E. All meeting agendas, minutes and reports to the Southern Waterfront Advisory Committee, Port Commission, or other Boards and Commissions attachments,

references and material kept in the ordinary course of business associated with the public planning process;

F. All relevant staff, and public reports and memoranda kept in the ordinary course of business providing substantial evidence to support these findings, and the SEIR, including attachments, appendices and references kept in the ordinary course of business;

G. All public notices, including but not limited to notices of preparation and completion issued for the Bode/Mission Valley Lease, and notices of public meetings.

III. DESCRIPTION OF BODE/MISSION VALLEY LEASE AND SEIR PROJECT

This section describes the activity the Port Commission proposes to authorize under the Bode/Mission Valley Lease and the relationship of the proposed lease activity to the activities analyzed in the SEIR. The SEIR considers a number of proposed industry leases and Port development activities for the Southern Waterfront area. The Bode/Mission Valley Lease encompasses only a portion of the proposed lease activities and none of the Port development activities considered in the SEIR. The activity authorized in the Bode/Mission Valley Lease consists of Bode Gravel's operation of a ready-mix concrete plant and Mission Valley Rock's operation of an aggregate import terminal. Although Mission Valley Rock also proposed to operate an asphalt plant, the lease does not authorize any asphalt plant activity. The Bode/Mission Valley Lease activity is consistent with the project component described in the SEIR Project Description, Section II on pages 9-12, except that the lease does not include any activity related to operations of Mission Valley Rock's proposed asphalt plant.

A. The Bode Gravel Company and Mission Valley Rock Company Lease ("Bode/Mission Valley Lease")

Bode Gravel Company seeks a lease for the development and operation of a ready-mix concrete plant, located on a portion of Pier 92 at the east end of Amador Street, about one-third mile from Third Street. Mission Valley Rock operates an existing dry bulk terminal at Pier 92 for the processing and cleaning of sand dredged from San Francisco Bay. At present, the cleaned sand is loaded from barges to the Pier 92 dock, then trucked to Bode Gravel Company's existing plant in the Mission Bay area. Under the Bode/Mission Valley Lease, the ready-mix concrete plant will be located adjacent to Mission Valley's sand reclamation operations, and would receive larger aggregate (rock and gravel) as well as sand through the existing Mission Valley Rock terminal. For the ready-mix concrete plant, Bode and Mission Valley would form a joint venture, as Tenant of the Bode/Mission Valley Lease. The uses in the Bode/Mission Valley Lease would be restricted to Mission Valley's existing sand processing operations, new aggregate imports for Bode's operations, and Bode's ready mix concrete manufacturing operations. The Bode/Mission Valley Lease would not permit any manufacturing of asphalt, which was proposed separately by Mission Valley Rock Company and analyzed in the SEIR.

The Bode ready-mix plant would be constructed with all-new equipment, replacing its existing San Francisco plant located off-Port property in the Mission Bay South Redevelopment Plan Area. The ready-mix plant would occupy approximately three acres (about 130,000 sq. ft.) of undeveloped land, except for several railroad spurs. The site would be paved with asphalt or concrete, and all but one of the rail tracks would be removed, which would continue to provide rail access to the concrete plant.

The ready-mix plant would include receiving facilities for aggregate material (gravel) delivered by bottom-hopper dump trucks and facilities for receiving ship or barge-borne aggregate by conveyor from the adjacent Mission Valley import facility; storage bins for aggregate and sand; storage silos for Portland cement and fly ash, both of which are used in the production of concrete; one mixer and one auxiliary load out silo; and a series of conveyance systems for movement of the materials throughout the plant – conveyor belts for the solid aggregate material, and an enclosed pneumatic pumping system for the Portland cement and fly ash, equipped with "baghouse filters" for dust control. Storage piles of aggregates would be contained in three-sided bin enclosures to reduce dust. Bode also would use water spray bars to reduce dust from aggregates in outdoor storage piles. In addition to the production facilities, the operation would have a truck maintenance shop, truck washout station with water reclamation, an office trailer, and parking for concrete mixer trucks and employee vehicles.

Most of the sand for concrete production would come from Mission Valley Rock's sand processing plant that currently operates at Pier 92, and which processes and cleans sand dredged from San Francisco Bay. Additional sand would be delivered by truck from the East Bay or delivered by ship –potentially through Mission Valley Rock's marine terminal—while cement would come by rail and truck from the South Bay.

Ready mix trucks ("cement mixers") would make deliveries of concrete to customers and construction sites primarily within San Francisco. Trucks would travel on Amador Street to Third Street, unless and until the Illinois truck and rail bridge is built over Islais Creek. Trucks traveling outside of San Francisco would generally use Cesar Chavez Street to reach US 101 or Interstate 280 freeways.

The lease term is for 10 years with three, five year options to extend the lease term up to a total of 25 years. Under the lease, the Port has the right, in its sole discretion, to reject an extension option if the tenant has not complied in a satisfactory and timely manner with the required SEIR mitigation measures, stormwater pollution prevention plan, or reporting requirements stipulated as conditions of the lease.

B. Project Analyzed in the Southern Waterfront Supplemental Environmental Impact Report (SEIR)

1. Background of SEIR and Relationship to Other Documents. In January 1997, the San Francisco Planning Commission certified the Waterfront Land Use Plan Final EIR (WLUP FEIR), a Program EIR that analyzed the impacts of a full range of land use

alternatives and variants on Port property, including the Southern Waterfront area between Pier 70 to India Basin. The Waterfront Land Use Plan, and the WLUP FEIR and associated CEQA Findings adopted by the Port Commission in June 1997 also include a comprehensive discussion of the Port's public trust and financial responsibilities, and the local and state regulatory framework for waterfront projects, which set the context for the Port's land use policies, including those for the Southern Waterfront.

2. SEIR Project Description. As described in the WLUP FEIR and CEQA findings, market conditions and other factors will determine the nature of development that occurs along the waterfront, consistent with the Waterfront Land Use Plan. In 1999, the ready-mix concrete batch plant described in the Bode/Mission Valley Lease was one of seven independent leases proposed on Port property in the Southern Waterfront. By that time, the Port also had proposed construction of an Illinois Street rail and truck bridge, and a dredged materials handling operation. In June 1999, the Major Environmental Assessments division (MEA) of the San Francisco Planning Department determined that these proposed activities could have potential significant physical environmental effects that were not fully analyzed in the WLUP FEIR, and thus required supplemental environmental review. Rather than prepare separate supplemental EIR's, MEA directed that all the proposed individual projects be combined and analyzed in a single document, the Southern Waterfront Supplemental EIR (SEIR). The SEIR analyzes existing uses and conditions, which include Mission Valley Rock Company's existing sand reclamation and processing facility. The proposed leases, collectively identified as the "Industry Group" and Port infrastructure projects are analyzed at a project-specific level of detail in the SEIR and listed below. The activities authorized at the Bode/Mission Valley Lease are consistent with the components of the SEIR Porject concerning the Bode ready-mix concrete plant and the Mission Valley Rock aggregate import terminal.

- Bode Gravel Company – concrete ready-mix plant at Pier 92,
- Mission Valley Rock – aggregate import terminal and asphalt batch plant at Pier 92
- RMC Pacific– proposed concrete ready-mix plant at Pier 80
- British Pacific Aggregates/Hanson Aggregates – aggregate bulk imports, and possible concrete ready-mix and asphalt plants at Pier 94
- ISG Resources – proposed import, storage and transloading of fly ash in the Pier 90 former grain silos and adjacent dock
- Coach USA – proposed tour bus maintenance and repair facility at Pier 96
- Waste Management Inc. – proposed construction debris recycling facility at Pier 70
- Illinois Rail and Truck Bridge – proposed as a connection between the Port's North and South Marine Terminals across Islais Creek
- Port Dredged Materials Storage Operations – storage and transshipment of Bay mud removed during Port maintenance dredging of its terminal berths

In addition to the above use proposals, the SEIR analyzes the environmental effects of potential development scenarios that could occur on adjacent or nearby Port-owned property in the Southern Waterfront. There are no actual proposals for these development scenarios, and therefore the impacts are evaluated at a program (less specific) level of detail. The Port and MEA determined the need to include development scenarios to ensure that the SEIR's cumulative impact analyses adequately took into account the effects of other leasing, cargo or

development activity that could be proposed on Port property. The Port has been working actively to solicit new contracts for cargo shipping, development proposals for the Pier 70 Mixed Use Development Opportunity Area, and to carry out community planning efforts for possible new development in the Pier 90-94 backlands area. While it is unknown as to whether any actual development will be proposed, the Port recognized the potential for developments or unanticipated proposals to emerge while preparation of the SEIR was underway, or after certification. As a result, it was decided that the SEIR description of the "Project" include assumptions of potential development to establish a conservative cumulative impact analysis that tends toward identifying a relatively high-end level of impacts. The SEIR Project, therefore, encompasses the Industry Group proposals, certain Port infrastructure proposals and other less specific Port development in the Southern Waterfront area. The potential development assumptions fall into the following categories, which are further detailed in the SEIR:

- Increased cargo shipping activity at the North and South Marine Terminals
- Potential, new development (though there are no actual proposals) on other Port Southern Waterfront property, including Pier 70 Development Opportunity Site, other industrial uses in the remaining Pier 70 area, the Western Pacific site, the Pier 90-94 Backlands, and portions of Pier 96

The inclusion of the potential development assumptions with the specific Industry Group and Port infrastructure improvements in the SEIR "Project" makes the SEIR somewhat unique. The SEIR not only provides the analysis of project-specific impacts and mitigations for each proposed Industry Group lease or Port infrastructure project, it also functions as a Program EIR (as described in CEQA Guidelines Section 15168 in its evaluation of other potential Port development at a less-specific level of detail. With this scope of activities and approach, the SEIR has been structured to, as much as possible, meet environmental evaluation requirements under CEQA for Southern Waterfront projects that may be considered for approval on separate timelines. For the Industry Group and Port infrastructure projects, the SEIR meets all CEQA environmental review, the nature of which would depend in part on how closely a proposal matches or is encompassed by the uses and impacts analyzed in the SEIR.

The SEIR contains a focussed analysis of the following impact topics: Land Use, Transportation, Air Quality, Hydrology and Water Quality, Hazardous Materials, Biological Resources, and Growth Inducement. The SEIR's cumulative transportation and air quality analysis takes into account nearby land use and transportation changes outside the Port's jurisdiction. The description of use and transportation assumptions underlying the SEIR analyses, on and off Port property, are provided on SEIR pp. 1-24, 45-47, and 96-97. In addition to the industry and Port projects listed above, the cumulative transportation and air quality analysis takes into account cumulative development either approved or proposed on adjacent or nearby areas outside of the Port's jurisdiction, including Mission Bay, Bayview Hunters Point community, and the proposed expansion of the Potrero Power Plant.

3. SEIR Analysis Timeframe. The broad array of activities included in the SEIR Project would occur at varying points in time. The proposed Industry Group leases were presumed to occur as soon as the Port and Industry Group entities could negotiate their

respective leases following certification of the SEIR. The Port's Illinois Street Rail and Truck Bridge, and Dredged Material Handling Facility were assumed to occur as soon as the Port secured the remaining funding, approval and/or contracting necessary to implement these infrastructure facilities. In contrast, most of the projected growth in cargo, and development program assumptions for other Port properties were not assumed to occur in the near-term.

As a result, the SEIR analyzes the various activities in two different timeframes, years 2003 and 2015. See pp. 6-7 of the SEIR for a listing of the sites and proposed uses, broken down by analysis year. In 2003, the SEIR assumes implementation of all the Industry Group leases, and some growth in cargo and industrial activities ("Phase I") in addition to existing activities. The 2003 transportation analysis is presented in two contexts: one without the presence of the Illinois Street Bridge and Third Street MUNI Metro light rail improvements, and one with these two transportation improvement projects in place.

The Year 2015 timeframe assumes implementation of the Industry Group leases, the Illinois Bridge and MUNI Metro light rail on Third Street, more projected cargo and other industrial activity than in 2003; and potential development of the Pier 70 Opportunity Area and Pier 90-94 Backlands. In addition, the 2015 analysis assumes greater levels of concrete and asphalt production volumes than assumed in the 2003 analysis (See SEIR Appendix A, p. A.1-A.5).

4. SEIR Alternatives. In addition to the Project as described above, the SEIR analyzes the following three alternatives:

- Alternative A: The No Project Alternative, which would entail no change to the project area. None of the Industry Group leases, including Bode Gravel Company, or Port infrastructure improvements would be implemented.

- Alternative B: Reduced Scale Alternative, which assumes the same projects and activities as the Project, with the exception of Mission Valley Rock and British Pacific Aggregates (now Hansen) asphalt plants and the Coach USA bus storage and maintenance facility; lower concrete production volumes than assumed in the Project (2003 production volumes); lower projected growth in cargo shipping, and no assumed development in the Pier 90-94 backlands. The SEIR identifies Alternative B as the Environmentally Superior Alternative in accordance with Public Resources Code Sections 21002 and 21081. Alternative B would result in less substantial traffic impacts and have slightly less impact on air quality than the Project.

- Alternative C: Residential Use Future Scenario, which assumes residential uses together with mixed office/research and development space assumed in the Pier 70 Mixed Use Opportunity Area.

5. Approvals Related to Bode/Mission Valley Lease. The primary approval actions related to the Bode Gravel Company ready-mix plant operation is Port Commission approval of these findings and aproval of the Bode/Mission Valley Lease. In addition, Bode will need to obtain construction permits from the Port.

IV: MITIGATION MEASURES

The findings in this section concern mitigation measures set forth in the SEIR, Chapter IV Mitigation Measures Proposed to Minimize the Potential Adverse Impacts of the Project, which include a listing of the applicable mitigation measures, by topic, originally presented in the WLUP FEIR. All of the mitigation measures in the SEIR have alpha numeric codes which are used to refer to the measures in these findings.

The scope of impacts analyzed in the SEIR reflects a broad range of activities, described above, generated from Port lease and infrastructure projects, as well as potential additional development that could occur on Port Southern Waterfront property or on adjacent or nearby non-Port owned lands. As a result, not all of the mitigation measures will apply to the Bode/Mission Valley Lease.

In the text of these findings, mitigation measures that are applicable to the Bode/Mission Valley Lease and which would be adopted by Bode/Mission Valley or the Port Commission are summarized in a few sentences. Mitigation measures within the jurisdiction of other agencies are similarly referenced together with an indication of the appropriate jurisdiction. Mitigation measures which are modified, or rejected because they are not applicable to the uses proposed in the Bode/Mission Valley Lease are summarized with sufficient specificity to allow the reader to understand the rationale for the action. Modifications to mitigations are set out in detail. No mitigation measure applicable to the Bode/Mission Valley Lease operation is rejected in its entirety. Exhibit 1, incorporated herein by reference, contains the complete text of each mitigation measure as presented in the SEIR that is required as a condition of the Bode/Mission Valley Lease, with any modifications shown (additions are underlined; deletions are shown with ~~strike through~~).
The mitigation measures fall into five categories:

1) Mitigation measures adopted by the Port Commission exactly as proposed in the SEIR and which can be implemented by the Port Commission;

2) Mitigation measures adopted exactly as proposed in the SEIR and which can be implemented as a condition of the Bode/Mission Valley Lease;

3) Mitigation measures adopted with modifications as a condition of the Bode/Mission Valley Lease;

4) Mitigation measures which are implemented or enforced by city agencies other than the Port Commission: MUNI and the Department of Parking and Traffic (Mitigation Measures B.1

5) Mitigation measures proposed in the SEIR which the Port Commission rejects because it has determined that the measures are not applicable to the uses or activities proposed in the Bode/Mission Valley Lease.

The Port Commission finds that the mitigation measures adopted or recommended for adoption by another agency, either as they appear in the SEIR or as proposed for modification, are feasible and enforceable through the Bode/Mission Valley Lease or through the other anticipated approvals identified above. Based on the information contained in the SEIR and the administrative record, the Port Commission has found that the mitigation measures in the SEIR will mitigate, reduce, or avoid significant effects and are hereby adopted by the Port Commission and recommended for adoption and implementation by other City agencies, which agencies can and should adopt these measures. Measure B.1 identifies various improvements to mitigate unacceptable congestion levels projected in year 2015 at specified intersections, which fall within the jurisdiction of the Department of Parking and Traffic (DPT) and MUNI. The Port has consulted with MUNI and DPT regarding the feasibility of implementing these improvements in the future. While it is not possible to determine definitively at this time whether these measures will be implemented as specifically described in the SEIR, the measures appear to be feasible and could be considered for implementation by DPT if the projected changes in traffic conditions occur.

A. Mitigation Measures Adopted by the Port Commission as Proposed

The following SEIR mitigation measures are found to mitigate, reduce, or avoid significant environmental effects, and are hereby adopted for implementation by the Port Commission.

Transportation

B.4 This measure requires the Port to comply with requests from the Major Environmental Analysis section of the Planning Department to analyze intersection levels of service for existing and future traffic conditions at intersections that may reasonably be expected to be affected by each future development, and identify and implement appropriate mitigation measures. This measure originated in the WLUP FEIR, and was modified and adopted by the Port Commission in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications. This measure is implemented primarily through the environmental review process for individual public and private projects proposed on Port property. Implementation by the Port or Port project developer of identified mitigation measures depends in part on the degree to which the Port project contributes to significant impacts, and whether the affected streets are in the jurisdiction of the Departments of Public Works (DPW) and Parking & Traffic (DPT), which are generally responsible for managing traffic improvement projects. For example, the Port is taking responsibility for securing funding and implementation of the Illinois Street Bridge, a Port infrastructure project that is not under the jurisdiction of either DPW or DPT, which has been identified as a mitigation measure in the SEIR. As indicated below, the Port will require financial contributions from Bode/Mission Valley to contribute towards implementation of this measure, as a condition of the lease.

Hazards

E.3 To mitigate hazards associated with disturbance of an existing soil stockpile that may occur during site construction, this measure requires the Port to contract, or require Port tenant(s) to contract, for disposal of any portion of the soil pile on the Bode and Mission

Valley Rock sites at Pier 92. This measure is hereby adopted by the Port Commission, which will be responsible for treating, reusing or removing the soil stockpile, in accordance with all applicable environmental laws and regulations.

Geology, Soils and Seismicity

G.12 This measure requires the Port to work in cooperation with the City's Office of Emergency Services (OES), Fire Department and Police Department to plan routes of alternative emergency access to development sites and hospitals. This measure originated in the WLUP FEIR and was adopted by the Port Commission, as modified, in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications. The Port is one of several City agencies that has been working in coordination with the Mayor's Office of Emergency Services (OES), and Fire and Police Departments to set up a communications procedure that enables emergency access routes to be identified based on reports of road or transportation network damage, obstructions or other circumstances following a catastrophe that could affect emergency routes.

G.13 To mitigate hazards associated with piers that are in poor condition, this measure calls for development and regular inspection of the condition of the piers, and for development of a maintenance and repair schedule, coordinated with the Port's Capital Plan. This measure originated in the WLUP FEIR and was adopted by the Port Commission, as modified, in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications. To date, the Port has been performing pier condition inspections, primarily for structures in questionable condition, or for facilities proposed for new leases or development projects. The Port's Engineering staff is currently in the process of developing a program to define a systematic approach to prioritizing and conducting pier condition studies in the future. In addition, the Port Commission has authorized funds to purchase new software and consulting services to establish a state-of-the-art Facility Maintenance Management program. The Facility Maintenance Management program will work hand in hand with the Pier Condition Inspection and Prioritization program to improve maintenance and repair of the Port's facilities.

B. Mitigation Measures Adopted as Proposed as a Condition of the Bode/Mission Valley Lease

The following SEIR mitigation measures are found to mitigate, reduce, or avoid significant environmental effects, and are therefore included as a condition in the Bode/Mission Valley Lease.

Air Quality

C.1 This measure requires Bode Gravel Company (one of the proposed construction aggregate industry project components) to include "best available control technology" (BACT) to control emissions, consistent with current regulations. This measure, which describes several types of practices to reduce or eliminate particulate emissions, will be implemented as a condition of the Bode/Mission Valley Lease.

C.3 This measure requires that all tenants, including Bode/Mission Valley, to make good faith efforts to engage in operational practices sensitive to the environment and the

neighboring community, consistent with the City's Clean Air Program. This measure calls for operators of fleet vehicles to investigate the potential for use of low-or zero emission vehicles and implementation of measures to reduce vehicle emissions to the maximum feasible extent, and provides a list of options to achieve that objective. The measure also requires that tenants operating diesel-powered stationary equipment investigate similar options, and that the Port provide economic incentives to minimize diesel emissions on Port property. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

C.5 This measure, which originated in the WLUP FEIR, requires the Port to require Bode/Mission Valley's construction contractor(s) to implement a dust abatement program to reduce the contribution of the project construction to local PM-10 concentrations. The measure lists a series of specific practices to achieve the dust abatement objective. The measure will be implemented as a condition of the Bode/Mission Valley Lease.

C.6 This measure supplements the dust abatement practices included in Measure C.5 by citing additional practices identified through the SEIR analysis: installation and operation of wheel-washing systems; daily street sweeping around aggregate-related plans; and posting of tenant and Port contact information for citizens to call with operational concerns or complaints. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

Hydrology

D.1 To reduce potential water quality impacts associated with runoff from construction activities, this measure requires the preparation and implementation of a Storm Water Pollution Prevention Plan (SWPPP) for construction sites of less than five acres of disturbed area, similar to that required under the statewide General Permit for Storm Water Discharges Associated with Construction Activity. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

D.2 This measure requires that all developers and tenants, including Bode Gravel Company, implement source control Best Management Practices to minimize the potential for water quality degradation from stormwater runoff associated with site operations, consistent with those identified in the Industrial/Commercial Storm Water Best Management Practices Handbook. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

D.4 This measure, which originated in the WLUP FEIR, requires members of the Industry Group and other project sponsors to implement appropriate Best Management Practices for stormwater pollution prevention through the life of each lease, and to monitor stormwater quality in accordance with requirements of the General Permit for Discharge of Industrial Stormwater. This measure will be implemented, as a condition of the Bode/Mission Valley Lease. The stormwater practices employed by Bode/Mission Valley will also be required to comply with a Southern Waterfront Stormwater Master Plan which is currently being developed by the Port with the services of team of hydrology and stormwater consultants. The Stormwater Master Plan may result in treatments or practices which exceed the requirements of the General Permit for Discharge of Industrial Stormwater.

Hazards

E.1 To reduce impacts from spills or other releases that may occur with the use of hazardous materials, this measure requires project sponsors to prepare a Hazardous Materials Business Plan for project components involving the use of petroleum products or hazardous materials. This measure also requires preparation of a Spill Control and Countermeasure Plan for any project involving the above-ground storage of petroleum products. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

E.2b To reduce off-site exposure to hazardous substances, this measure requires that where subsurface contamination is identified, the project sponsor will ensure that the affected area will be enclosed with a fence, and warning signs installed, until all remedial activities have been completed. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

Geology, Soils and Seismicity

G.1 This measure, which originated in the WLUP FEIR, requires that a geotechnical investigation be conducted prior to permitting any new construction of facilities or reuse of existing structures for intensified use. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.2 This measure, which originated in the WLUP FEIR, requires the Port to require tenants to carry out various tasks to minimize hazards to building occupants from non-structural damage, such as securing heavy or large overhead equipment to floors and walls. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.4 This measure, which originated in the WLUP FEIR, calls for non-structural building elements to be designed to withstand strong ground shaking and to remain intact. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.5 This measure, which originated in the WLUP FEIR, requires the use of flexible utility connections, automatic shut-off valves for natural gas pipelines, or as otherwise required by the San Francisco Fire Department or Port Fire Marshal. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.6 This measure, which originated in the WLUP FEIR, requires fire extinguishers adjacent to exit doors, consistent with the San Francisco Fire Code. It also requires that employees be trained on how to use the extinguishers. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.8 This measure, which originated in the WLUP FEIR, encourages the Port and its tenants to take feasible steps to minimize potential earthquake safety risks related to hazardous materials in its operations, and identifies specific practices that may be applied to achieve that objective. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.9 This measure, which originated in the WLUP FEIR, calls for tenants to design all facilities for storage of hazardous chemicals in containers to minimize potential hazards in an earthquake, consistent with Fire Department and/or Health Department requirements. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.10 This measure, which originated in the WLUP FEIR, calls for tenants to employ an engineer qualified in earthquake engineering to incorporate all economically feasible engineering methods into the final facility design, to reduce the potential for loss of life-line services. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.11 This measure, which originated in the WLUP FEIR, calls for use of flexible connections for utility lines, back-up supplies of water, telecommunications equipment or other features to minimize hazards from earthquakes or other emergencies. The measure indicates that engineers should be consulted to recommend the appropriate approach to achieving this objective. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.14 This measure, which originated in the WLUP FEIR, calls for all open sub-grade structures and pits, whether temporary or permanent, to provide protection against hazards to people and damage to proposed or nearby structures that could result from buoyant or lateral deforming soils. This measure will be implemented as a condition of the Bode/Mission Valley Lease.

G.15, G.16, G.17 These three measures, which originated in the WLUP FEIR, set forth requirements for analyzing any dewatering plans that may be necessary during site construction, including any pile driving; minimizing dewatering hazards; and posting of bonds or equivalent mechanism to cover the costs of potential damage from construction to off-site property. These measures will be implemented as a condition of the Bode/Mission Valley Lease, as determined to be applicable based on Port building permit of detailed construction plans.

G.18, G.19 These measures, which originated in the WLUP FEIR requires that prior to dewatering or pile driving, the Port provide a minimum 30 day advance notification to property owners within 200 feet of the demolition or excavation, whichever is the first to occur in a construction project. This mitigation measure would minimize damage associated with subsidence by allowing property owners to comment on the activities and document any damage that may occur. This measure was adopted by the Port Commission, as modified, in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications, and will be implemented as a condition of the Bode/Mission Valley Lease if dewatering or pile driving will be conducted during project construction.

Archaeological Resources

I.1 This measure requires that an archaeologist be retained to prepare a brief preliminary site-specific evaluation or letter report assessing the archaeological sensitivity of a development site, if the project involves excavation or substantial soil disturbance of greater

than four feet in depth. The measure also includes a description of the steps that could be taken, as determined through consultation between the archaeologist and the Environmental Review Officer, if further study is necessary and/or archaeological deposits are discovered. The Bode project would not involve excavation to such depth, which is acknowledged in discussion of Mitigation Measure I.1, unless project construction involves pile driving, in which case this measure will be implemented as a condition of the Bode/Mission Valley Lease.

C. Mitigation Measures Adopted with Modifications as a Condition of the Bode/Mission Valley Lease

The following SEIR mitigation measures are included as a condition in the Bode/Mission Valley Lease, with modifications, with accompanying explanations for the modifications.

Transportation and Air Quality

B.3 Implementation of the Illinois Street Rail and Truck Bridge proposed by the Port would improve operating conditions at Third Street and Cargo Way to acceptable levels of service, and reduce the Project's contribution to significant air quality impacts, compared to conditions without the proposed bridge. Implementation of this measure is dependent on the Port's ability to secure all applicable regulatory approvals for the Bridge, and the remaining funding necessary to cover the cost of construction and installation. The Port's fundraising efforts would be in part met through financial contributions from Bode Gravel Company, required as a condition of the Bode/Mission Valley Lease. Thus, this measure is adopted in modified form, by providing that Bode Gravel Company will make a specified contribution toward the cost of construction of the Bridge. However, the contributions from Bode Gravel Company alone would not realize the construction of the Illinois Bridge.

C.4a To regulate the total quantity of air emissions from the concrete and asphalt industry operations, this measure requires that any lease for concrete or asphalt batching operations on Port property, including Bode Gravel Company, include a provision setting forth the maximum production volume allowed to ensure that such production level, combined with production levels by other concrete and asphalt batch plant operators with leases on Port property, are consistent with the assumed volumes, and associated transportation and air quality impacts analyzed in the SEIR. The measure also requires the Port to require annual audited accounts of Bode Gravel Company and any other batch plant operators to be incorporated into an annual report to the Port Commission. The measure also states that any increases above the production levels stipulated in the lease require a lease amendment, which would be subject to further environmental review.

This mitigation measure will be implemented in modified form, as a condition of the Bode/Mission Valley Lease. Rather than assigning a specific, quantified production limit to each concrete or asphalt operator as recommended, the Port will require monthly reporting of the amount of concrete or asphalt that has been produced from all operators, to monitor the overall production volumes generated relative to the levels analyzed in the SEIR. The SEIR analysis assumes concrete production levels of 650,000 cu yds per year in 2003, growing to

850,00 cu.yds. per year in 2015. SEIR assumptions regarding asphalt production levels are 400,000 tons per year in 2003, and 550,000 tons per year in 2015. The monthly concrete or asphalt production reports will be required as a condition of each lease, including the Bode/Mission Valley Lease. Each lease will stipulate that if the overall production levels exceed the levels assumed in the SEIR, all concrete or asphalt operators will be required to halt their operations or be in default of their respective leases. Production levels exceeding the SEIR levels will not be allowed unless further environmental review is completed, which could result in the implementation of additional required mitigation measures. It is anticipated that the required monthly reporting will facilitate a rational monitoring process by the Port, because the Port will alert the operators if trends suggest that the overall production limits assumed in the SEIR could be exceeded. Such advance knowledge would enable the Port and operators to reduce production, or initiate further environmental review early on to minimize or avoid disruptions in operations.

The concrete and asphalt production levels assumed in the SEIR were used to generate the projections of truck trips, ship calls and rail activity presented in the SEIR analysis, and the associated transportation and air quality impacts. As a result, production volumes monitoring is a tool to monitor transportation and air quality impacts. Concrete and asphalt plant operations both generate impacts from dust, truck trips, rail and ship calls. Asphalt plants also are stationary sources which generate Reactive Organic Gases (ROG) and Nitrogen Oxide (Nox) emissions that are not generated by concrete batch plants. As a result, production volumes of concrete plant operators (and the associated transportation and air quality impacts) could exceed the concrete production levels assumed in the SEIR if there is a commensurate reduction in asphalt production, without exceeding the overall production volumes and impacts assumed in the SEIR. Conversely, asphalt plant operations could not exceed the asphalt production levels assumed in the SEIR if the associated ROG and Nox emissions from the plant operations would exceed the levels analyzed in the SEIR.

Hydrology

D.3 This measure requires that stormwater runoff from new or redeveloped facilities located outside the City's combined sewer system provide treatment so that there is no direct, untreated discharge to the Bay or Islais Creek. This measure is modified to clarify that the runoff will be treated prior to discharge as needed to meet water quality objectives for stormwater, and that there will be no direct, untreated discharge of stormwater exceeding water quality objectives to the Bay or Islais Creek. The measure, as modified, will be implemented as a condition of the Bode/Mission Valley Lease.

Hazards

E.2a This measure contains a discussion of site mitigation report requirements to comply with Article 22A, "Analyzing the Soil for Hazardous Wastes". It acknowledges that Bode Gravel Company is subject to Article 22A and has obtained an approved site mitigation report. This measure requires that Bode cap the site with asphalt or concrete as recommended in the report, and provide the San Francisco Public Health Department with certification and maintenance reports to ensure regulatory compliance. The measure then proceeds to discuss Article 22A –related requirements for other projects. This mitigation measure is adopted, as

modified, to include only the mitigation text that is applicable to the Bode/Mission Valley Lease.

Geology, Soils, and Seismicity

G.3 This measure calls for high-occupancy facilities to store emergency response supplies and equipment on-site for a 72-hour reserve. This measure focusses on facilities that employ large numbers of workers, or attracts large numbers of visitors, and suggests that medical supplies such as stretchers, loud speakers and heavy tools be stored on-site in addition to blankets, flashlights and at least 72 hours' worth of potable water and non-parishable food supply. The Bode/Mission Valley Lease is neither a high employment generator nor a visitor attraction. Nevertheless, a 72 hour supply of potable water, food and basic medical supplies and tools should be stored to meet the needs of its employees. This measure, therefore, will be implemented in a modified, scaled down form as a condition of the Bode/Mission Valley Lease.

D. Mitigation Measures Within the Jurisdiction of Other City Agencies

The Port Commission finds that the mitigation measure set out below, as it appears in the SEIR falls within the jurisdiction of the Department of Parking and Traffic (DPT). The Commission determines that such measure should be carried out by DPT or MUNI at the appropriate time, and can and should be adopted by DPT. The Port has reviewed SEIR Mitigation Measure B.1 below with staff of the DPT and MUNI, which determined that these signal and traffic improvements appear to be feasible. The Secretary of the Port Commission is hereby directed to transmit copies of these measures to DPT.

Transportation

B.1 This mitigation measure identifies various roadway and signalization improvements to improve levels of service projected to occur by the year 2015 (but after 2003) at the following intersections during the a.m and/or p.m. peak hour: Third/25th Streets; Illinois/25th Streets; Pennsylvania/I-280 (Southbound) on-ramp; Pennsylvania/Cesar Chavez Streets; Third/Cesar Chavez Streets; Illinois/Cesar Chavez Streets, and Amador Street/Cargo Way. New signals called for in these mitigation measures for the intersections of Illinois/25th Streets, Illinois/Cesar Chavez Streets, and the restriped eastbound and westbound lanes at Illinois/Cesar Chavez to provide the suggested land reconfigurations will be implemented as part of the MUNI Third Street Light Rail project. The signal improvement at Amador Street/Cargo Way would be implemented by the Port as part of the construction of the Illinois Rail and Truck Bridge. The Port has consulted with MUNI and DPT regarding the feasibility of the remaining improvements described in this mitigation measure. At this time, there is no secured funding for the signal installation at Pennsylvania/I-280 SB or right-of-way acquisition to accommodate the lane configuration proposed for Third and Cesar Chavez. In addition, the final configuration of the 3rd/25th Street intersection regarding the left-turn lane will require further discussion with DPT, MUNI and Planning Department. While it is not possible to determine definitively at this time whether these measures will be implemented if they are required by development, the measures appear to be feasible. As a result, the Port Commission recommends that the Department of Parking and Traffic

implement the remaining improvements described in this measure, as modified, to clarify that these measures be carried out by DPT only if future traffic analysis indicates the need for the roadway or signalized remedies described in this mitigation measure. Furthermore, the Port Commission recommends that the Port work in close coordination with DPT, MUNI and the Planning Department to ensure that the intersection improvements at 3rd/25th Streets, and 3rd/Cesar Chavez Streets balance and optimize maritime, MUNI light rail as well as vehicular circulation. The Commission also acknowledges that the Port may be required to share in the capital cost of implementing those mitigation measures that are not carried out as part of the Third Street Light Rail or Illinois Truck and Rail Bridge projects, if it is demonstrated that Port-related development generates significant contributions to unacceptable levels of service at Third/25th Sts., Pennysylvania/I-280 SF on-ramp, Pennsylvania/Cesar Chavez St, or Third/Cesar Chavez Streets.

E. Mitigation Measures Rejected and the Reasons for Rejection

Chapter IV, Section J of the SEIR. (pp. 161 – 164) is entitled "Measures From the 1997 Waterfront Plan FEIR Not Applicable to the Project Analyzed in this SEIR". They include Transportation; Visual Quality; Geology, Soils and Seismicity measures that pertain to Port property north of the Project Area. As a result, these measures are rejected as inapplicable to the Southern Waterfront projects, including the Bode/Mission Valley Lease.

In addition, the Port Commission finds that certain of the SEIR mitigation measures are not applicable to the uses or activities proposed in the Bode/Mission Valley Lease, and thus are rejected. Each mitigation measure is followed by a statement of the reasons why it is rejected.

Transportation

B.2 This measure requires the Port to develop a Transportation Systems Management (TSM) Plan, and potentially a Transportation Management Agency (TMA) at such time as specific mixed use or other non-industrial projects generating more than 100 daily vehicle trips are approved and occupied at the Pier 70 Mixed Use Opportunity Area and the Pier 90-94 backlands. Neither the use program nor site locations are consistent with the Bode/Mission Valley Lease. Therefore this measure is rejected because it is not applicable.

B.5 This measure requires the Port to require and/or institute Transportation Demand Management Programs (TDM) among developers of major trip generators, as a condition of lease approval, for projects such as new development at the Pier 70 and 90-94 backlands. The TDM would typically target primarily commute trips and would encourage carpools, vanpools and public transit use to reduce trips made by low-occupant private vehicles. The vehicle operations and employee trips associated with the Bode/Mission Valley Lease would not reflect the travel conditions that this measure seeks to mitigate. The majority of daily trips projected in the SEIR from Bode operations would be trucks (453 trucks in 2015), which are not conducive to ridesharing. In addition, the SEIR projects 30 employee vehicle trips, of which only seven trips are projected to occur in each of the a.m. and p.m. peak hours. This low volume of employee trips would not render a successful TDM. For the reasons described, this measure is rejected as non-applicable to the Bode/Mission Valley Lease.

Air Quality

C.2 This measure requires drum mixer controls in asphalt batch plants, a product which is not proposed in the Bode/Mission Valley Lease, and which is therefore rejected as non-applicable.

C.4 This measure requires the Port to develop a Transportation Systems Management (TSM) Plan and potentially a Transportation Management Agency (TMA) at such time as specific mixed-use or other non-industrial projects generating more than 100 daily vehicle trips are approved and occupied at the Pier 70 Mixed-Use Opportunity Area and the Pier 90-94 backlands. Neither of these types of developments or site are included in the Bode/Mission Valley Lease. Therefore, this measure is rejected as non-applicable to the Bode/Mission Valley Lease.

Hydrology

D.5 This measure requires sponsors of projects located on or adjacent to the Bay to include contractor's construction specifications to minimize effects on water quality. Construction of the new Bode/Mission Valley concrete plant is not located on or along the water's edge; it is located approximately 200 feet inland. Therefore, this measure is rejected as non-applicable to the Bode/Mission Valley Lease.

Hazards

E.4 This measure requires hazardous building material surveys for listed contaminants be conducted prior to any development involving the demolition or renovation of existing facilities. There are no existing built facilities on the Bode site and thus no proposed demolition or renovation. Thus, this measure is rejected as non-applicable to the Bode/Mission Valley Lease.

Biological Resources

F.1a, F.1b Both these measures establish conditions under which dredging could be limited to avoid impacts on the Pacific herring fishery. There is no dredging proposed as part of the Bode/Mission Valley Lease. Accordingly, these two measures are not applicable and are thus rejected.

F.2 This measure requires bat surveys during specified times of the year prior to demolition or renovation of any abandoned building. The Bode/Mission Valley Lease site is vacant, and thus this measure is rejected as being non-applicable.

Geology, Soils and Seismicity

G.7 This measure requires tenants to prepare earthquake preparedness and response plans for uses with more than 100 employees, and public uses accommodating more than 100 persons. Neither of these conditions applies to Bode Gravel Company, and therefore this measure is rejected as non-applicable.

G.20 This measure calls for proposed new dredging activities be reviewed by an engineering geologist to assess potential hazards to Port facilities. There is no dredging

proposed in the Bode/Mission Valley Lease, and therefore this measure is rejected as non-applicable.

G.21 This measure requires that sites of all demolished buildings be left in a condition that will not pose a life safety hazard or potential to damage adjacent properties. There is no demolition proposed in the Bode/Mission Valley Lease, and therefore this measure is rejected as non-applicable.

Historic Architectural Resources

H.1 This measure calls for review by a qualified historic prservation architect for proposed renovation plans for Building 6 at Pier 70 prior to issuance of any demolition or building permit for reuse of the building. The Bode/Mission Valley Lease does not include this or any buildings in the Pier 70 area. Therefore, this measure is rejected as non-applicable.

E. Adoption of a Mitigation Monitoring and Reporting Program

The Port Commission hereby adopts a Mitigation Monitoring and Reporting Program (MMRP) as required by Section 21081.6 of the Public Resources Code. The MMRP is attached as Exhibit 2 and incorporated in this document by reference. The purpose of the MMRP is to determine the stage at which each of the adopted mitigation measures must be imposed to ensure that the measure is carried out by the responsible official or entity, or if the obligation lies with a private entity, that the City enforces the obligation.

Bode/Mission Valley and the Port will implement the majority of the mitigation measures. Bode/Mission Valley will implement most of the measures as a condition of its lease, with the Port enforcing the lease conditions. The Port will have responsibility for implementing other measures as part of its implementation of the Waterfront Land Use Plan. The Port Commission in 1997 previously adopted most of these measures, some of which have been implemented, as described above. The Department of Parking and Traffic will implement intersection improvements identified in measure B.1.

V: FINDINGS REGARDING ALTERNATIVES IN THE SEIR

As described in Section III above, the SEIR encompasses a broad range of activities. The SEIR analysis evaluates proposed, site-specific leases and Port improvement projects; and possible future development or uses that could emerge in response to changes in market conditions, and Port planning and development efforts underway (e.g. Pier 70 Mixed Use Opportunity Area, Pier 90-94 Backlands). The proposed Bode/Mission Valley Lease on a portion of Pier 92 is one component of the "Industry Group" leases specifically described and analyzed in the SEIR and is the only proposed use that is being considered for approval by the Port Commission.

As a result, these findings focus on the Commission's consideration of the SEIR environmental impact information relevant to the concrete plant operations proposed in the

Bode/Mission Valley Lease. Pursuant to CEQA Guidelines, these Findings must consider, and adopt or reject the alternatives analyzed in the SEIR. As indicated above in Section III and discussed further below, the SEIR Project and the SEIR alternatives consider overall development scenarios in the Southern Waterfront area. They do not exclusively focus on the proposed Bode/Mission Valley Lease. Development proposals for uses other than the Bode/Mission Valley Lease activities, other "Industry Group" uses, the Illinois truck and rail bridge, or the Port's dredged materials storage facility would be subject to separate, future CEQA Findings and actions by the Commission and applicable regulatory agencies. As a result, the Commission's careful consideration and rejection of the SEIR alternatives, as explained below, is based on its consideration only of the proposed Bode/Mission Valley Lease. These Findings do not attempt to assess the overall merits or shortcomings of the SEIR Alternatives as compared to the SEIR Project, or those of other individual leases or activities that may be considered for approval by the Commission in the future.

A. Reasons for Selecting the Bode/Mission Valley Lease as described in the SEIR Project

After consideration of all the information in the SEIR, the Port Commission selects the Bode/Mission Valley Lease, as described in the SEIR Project Description. The proposed concrete batch operation would generate a demand for dry bulk aggregates shipped through the Port's terminals, thereby helping to maintain or enhance the Port's cargo and maritime commerce objectives pursuant to its Burton Act public trust responsibilities. In addition, the Bode/Mission Valley Lease would meet other related Port objectives as stated in the SEIR. These objectives and the aspects of the Bode/Mission Valley Lease that will further these objectives are described below.

- Diversify the Port's marketing efforts to increase utilization of its cargo terminals. The Bode/Mission Valley Lease will foster an increase in marine terminal import of aggregates for Bode's concrete plant, thereby increasing utilization of Pier 92, and maximizing the productivity of Port assets.

  In addition, the location of a concrete batch plant facility at Pier 92 would enhance the viability of dry bulk cargo shipping at Piers 94. In 2000, the Port Commission approved a marine terminal agreement with Hanson Aggregates to operate a portion of the Pier 94 terminal for dry bulk aggregate shipments from Canada. While Pier 92 and some of the Port's facilities have been in use as terminals for sand that is reclaimed from the Bay, its attractiveness as a dry bulk terminal for imported aggregates is a relatively new development. In large part, it is due to the high number of major construction and transportation projects in or near San Francisco; diminishing local supply of aggregate materials used in concrete and asphalt production; and the increasingly costly constraints of the region's congested highways on truck transport, which have increased the commercial viability of ship and freight rail transport.

  The location of aggregate-based businesses such as Bode Gravel Company's concrete batch plant would establish a stable source of demand to maintain and increase dry bulk shipping through the Port's terminals. By increasing the viability of dry bulk cargo, the

Port will achieve a more diversified cargo portfolio that is less dependent on, or negatively impacted by, the often volatile changes the Port has experienced in marketing its facilities for container cargo business. Like the stock market, the Port will be better able to stabilize the its cargo revenues if it diversifies its container and non-container shipping contracts.

- Increase utilization of freight rail. The co-location of businesses like Bode near the Port's terminals could increase demand and service by freight rail, which in turn would enhance the Port's attractiveness and service to cargo customers who require or value freight rail service to Port facilities.

The Bode/Mission Valley Lease, as proposed for approval, would also best achieve the Project Sponsor's goals as explained below.

- Retain existing operations within San Francisco to allow continuing provision of ready-mix concrete in close proximity to sources of demand, and to avoid potential increased transportation costs and impacts that would result if Bode had to relocate outside the City. Bode currently operates a ready-mix concrete plant in the Mission Bay South Redevelopment area and is facing relocation. Few sites exist within San Francisco for industrial operations of this nature. The Bode/Mission Valley Lease will allow Bode to maintain its ready-mix concrete plant in San Francisco.

- Facilitate ship-borne import of construction materials. The Bode/Mission Valley Lease provides for use of the Port's Pier 92 terminal for the importation of aggregate used in the production of concrete.

- Co-locate in proximity to aggregate imports at the Port to achieve maximum efficiency in import, distribution, and handling of construction aggregates. The Bode/Mission Valley Lease provides for marine import of aggregate adjacent to the ready-mix concrete plant, thus reducing the number and distance of truck trips and their associated impacts.

- Retain existing employment in San Francisco, including residents in the southeast part of the City. The relocation of the current Bode ready-mix concrete plant within San Francisco, will allow retention of about 60 employees, which currently includes about five who reside in the southeast part of San Francisco.

Alternative B would allow Bode's proposed operations, but would require that production volumes be maintained at levels that meet current market demand. Since the proposed term of the Bode/Mission Valley Lease is for up to 25 years, during which period economic and technological changes could generate demand for concrete that varies substantially from current conditions, the Port Commission believes it is prudent to allow some flexibility for production volumes to respond to market fluctuations that may at times exceed today's demand.

B. Alternatives Rejected and Reasons for Rejection

1. Alternative A: No Project Alternative

The No Project Alternative is rejected because it would not allow any concrete production operations in the Southern Waterfront. As such, the No Project Alternative would not meet the Port or Project Sponsor objectives described above.

While dry bulk shipping terminals could occur under the No Project Alternative, this alternative precludes the ability of the Port to locate aggregate-based businesses such as Bode Gravel Company, which would establish a stable source of demand to maintain and increase dry bulk shipping through the Port's terminals.

2. Alternative B: Reduced-Scale Alternative

Alternative B assumes that concrete production operations, as proposed in the Bode/Mission Valley Lease, will occur on Port property, although with lower production levels than assumed in the Project. In this alternative, concrete production would be kept to the levels assumed in the SEIR's year 2003 analysis. This limit on production volume would be counter to the objectives of Bode Gravel Company, which seeks a lease term potentially extending to 2026 and thus the higher production capability, assumed in the SEIR's 2015 analysis. The higher production levels are necessary to enable Bode the flexibility, within the confines of the SEIR analysis, to respond to potential growth in demand for concrete over the long term. The concrete industry is subject to occasional, unanticipated spikes in demand, such as experienced in the past three years when concrete consumption has reached unprecedented levels. Demand for concrete is expected to stay strong for the next few years at least, in light of large, nearby public infrastructure projects planned for implementation such as the new Bay Bridge east span, and MUNI's Third Street Light Rail project. In addition, changes in construction economics and technologies present the potential for constructing new buildings with a higher percentage of concrete content than in the past. Traditionally limited to foundations and building floors, today concrete also is being used in the structural framing of new buildings, reducing the amount of steel needed and thus construction costs.

Alternative B also would not respond to the Port's objectives of maximizing cargo business through its terminals. The location of Bode/Mission Valley's concrete batch plant on Port property secures cargo business better than concrete plants located elsewhere in or outside of San Francisco, because ship, barge, and freight rail transport options are directly available and thus more likely to be utilized. If market demand for concrete exceeds the levels assumed in the SEIR's 2003 analysis, the excess demand most likely would be absorbed by other concrete companies that would rely exclusively on truck transportation. This not only would mean a missed cargo business opportunity for the Port, it would also mean higher volumes of trucks -- and thus congestion and air emission levels -- on City streets and highways.

For the reasons stated above, the Port Commission rejects Alternative B.

3. Alternative C: Residential Use Future Scenario Alternative

Alternative C is the same as the SEIR Project, except that it assumes residential use in the mix of uses assumed in the Pier 70 Opportunity Site. As a result, it has no bearing on or applicability to the proposed Bode site or operation.

VI: SIGNIFICANT ADVERSE ENVIRONMENTAL IMPACTS

The Project includes many aspects and features that reduce or eliminate environmental impacts that could be otherwise significant. Nonetheless, the Project, of which the Bode/Mission Valley Lease would be a part, would result in significant, unmitigable traffic congestion at selected local intersections. The Project also would result in total Project emissions of criteria air pollutants on a region-wide basis that would exceed Bay Area Air Quality Management District project-specific thresholds and would therefore be considered significant and unmitigable, and would contribute to potentially significant cumulative air emissions from existing (unquantified) and possible future (unknown) sources in the greater site vicinity.

Specifically, traffic congestion at four intersections would not be mitigable with the addition of traffic from both phases of the proposed project in 2015. These intersections are:

- Mariposa Street/I-280 southbound on-ramp (LOS Fin a.m. peak hour; LOS E in p.m.peak hour);
- Mariposa Street/I-280 northbound off-ramp (LOS F in a.m. peak hour; LOS E in p.m. peak hour);
- Third/Mariposa Streets (LOS E in a.m. and p.m. peak hours) and
- Evans Avenue/Cesar Chavez Street (LOS E in a.m. peak hour).

Project-generated maximum daily emissions of reactive organic gases (ROG), nitrogen dioxide (Nox), and respirable particulates (PM-10) from all project components combined would exceed the significance threshold of 80 pounds per day in both 2003 and 2015. The significant threshold for annual emissions of 15 tons per year would also be exceeded for Rog and Nox in each year. Therefore, the project would result in a significant effect with regard to emissions of criteria pollutants. This significant impact would occur regionally, and would not be directly reflective of local conditions in the immediate vicinity of the project. (As discussed in the local air quality analysis on P. 89, localized emissions concentrations would not be significant). This significant regional impact cannot be reduced to a less-than-significant level because of the magnitude of the project.

The project would also contribute to a potentially significant cumulative regional impact on air quality because daily and annual volumes of criteria pollutants would exceed Bay Area Air Quality Management District (and SEIR) project –specific significance thresholds as described above. Locally, cumulative PM-10 and diesel particulate cannot be quantified because of the multitude of existing sources. Therefore, to be conservative, these emissions are deemed cumulatively significant, although the project itself would not have a significant effect with regard to local concentrations of PM-10 or diesel particulate.

The significant, unavoidable impacts listed in the SEIR and recited above assume implementation by the Port and other City agencies of the mitigation measures recommended for adoption as set forth above, to reduce potentially significant impacts. The Port Commission has made a determination that these measures can and should be implemented and in so determining, has found that the measures are feasible and implementable through the Bode/Mission Valley Lease approvals, existing Port programs implementing the Waterfront Land Use Plan, and normal operations of the Department of Parking and Traffic. In addition, the Port Commission has taken responsibility for securing funding and approvals to implement the Illinois Street Bridge, a mitigation measure identified in this SEIR.

However, to the extent that the mitigation measure within the jurisdiction of the Department of Parking and Traffic is not adopted, or the Illinois Street Rail and Truck Bridge cannot be fully funded or constructed by the Port, the following additional significant impacts could occur, depending on the nature of the mitigation measures that are not implemented: additional and increased traffic congestion impacts at the intersections of Third and Cargo Way (in year 2003 and 2015); Third and 25th Streets (in year 2015); Pennsylvania/I-280 SB on-ramp (in 2015); Third and Cesar Chavez Streets (in 2015); Illinois and Cesar Chavez Streets (in 2015); and Amador Street and Cargo Way (in 2015); and air quality. There are no specific, feasible mitigation measures available other than those identified in the SEIR, to reduce these impacts to a level of insignificance.

For the reasons stated above, the Port Commission finds that the Bode/Mission Valley Lease incorporates all feasible mitigation measures and has eliminated or substantially lessened all significant effects on the environment where feasible. The remaining effects listed above are found by the Port Commission to be acceptable due to the overriding considerations set forth below.

VII: STATEMENT OF OVERRIDING CONSIDERATIONS

The Port Commission finds that the following social, economic, technological and other considerations and benefits warrant approval of the Bode/Mission Valley Lease notwithstanding any remaining unavoidable or unmitigated effects to which it would contribute. The Commission finds that each of the overriding considerations set forth below constitutes a separate and independent basis for finding that benefits of the Bode/Mission Valley Lease outweigh the unavoidable adverse environmental effects, and is an overriding consideration that warrants approval of the Bode/Mission Valley Lease. In addition, the Port Commission finds that the Alternatives and Mitigation Measures applicable to the Bode/Mission Valley Lease that are either partially or totally rejected also are rejected for the following economic, social or other considerations, in and of themselves, in addition to the specific reasons discussed above. These matters are supported by evidence in the record that includes, but is not limited to, the documents referenced in Article II.

1. The Bode/Mission Valley Lease will support and strengthen the Port's cargo business. The Bode/Mission Valley Lease is an industrial use that is compatible with existing

ongoing cargo activities at Piers 92, and 94-96. Bode will become a valuable Port maritime industrial customer because it will create an on-site market demand for vessel or rail shipments of raw materials. Bode's operations will support the Port's maritime operations in one or more of the following ways: 1) as a direct customer of shipping companies that import dry bulk/aggregate through the Port's terminals; 2) as a direct cargo customer to the Port; and 3) as a business that relies on or benefits from continued increased freight rail service to the Port. The Port's current dry bulk operators are Hanson Aggregates, which operates a sand facility and will soon open an aggregate import operation on the Pier 94 terminal; and Mission Valley Rock, which operates a sand facility at Pier 92. Bode can serve as an important customer for these existing operations. Bode can also act as a direct cargo customer to the Port by receiving aggregates from other sources by barge. In addition, Bode would increase the number and critical mass of businesses that rely on or could benefit from continued or increased freight rail service to the Port, which in turn would improve the utility of the Port's terminals and facilities and thus enhance the Port's cargo marketing efforts.

2. The Bode/Mission Valley Lease incorporates state-of-the–art environmental mitigations. Bode will improve existing conditions by installing site improvements that preclude any storm water discharge that exceeds water quality objectives. The site improvements and new plant facilities include numerous dust control measures to minimize stationary and mobile source-generated particulate emissions, including wheel wash facilities, spray bars to maintain moisture content of raw materials, and installations of barriers and/or enclosures to reduce dust emissions dispersed by the wind. In addition, Bode already has shown good faith efforts to investigate technologies to reduce diesel emissions. Bode has leased a ready-mix cement truck which has been retrofitted to operate on Condensed Natural Gas (CNG) or diesel fuels. Because of the mitigation measures that would be implemented under its lease, Bode's operation itself would not generate any significant adverse environmental effects.

3. Bode Gravel Company is a long-time, San Francisco-based business, that has operated in the Southern Waterfront area for 86 years, and employs 60 workers, currently including five residents from the southeast area of the City. The Port Commission believes it is important to preserve local business and employment opportunities, especially for industrial businesses that have an increasingly difficult task of maintaining economically viable operations in San Francisco. Skyrocketing real estate prices generated by competing, non-industrial development, has severely reduced the amount of available, affordable industrial land in San Francisco. Bode must relocate because its current site is scheduled for development as part of the Mission Bay Redevelopment Plans. Bode has few site options in San Francisco, and could face relocation outside of San Francisco if it cannot relocate to Pier 92. These facts, combined with the maritime commerce benefits that Bode could bring to the Port as described in Section VII, Item 1 above, point to the merits of approving the Bode/Mission Valley Lease, because of the mutual benefits that would be generated for the Port and Bode/Mission Valley.

EXHIBIT 1

SEIR MITIGATION MEASURES REQUIRED AS CONDITIONS OF THE BODE/MISSION VALLEY LEASE

The following contains the full text of the Southern Waterfront Supplemental EIR (SEIR) mitigation measures, which, unless otherwise explained in the CEQA findings, are required as conditions of the Bode/Mission Valley Lease (approved by Port Commission Resolution 01-44, June 12, 2001). Some of the SEIR mitigation measures are required under the Bode/Mission Valley Lease in modified form, which are shown with additions underlined and ~~deletions struck through~~.

B. TRANSPORTATION

B.3 The Illinois Street bridge that is proposed by the Port would improve operating conditions at Third Street and Cargo Way to an acceptable level of service (LOS C in the a.m. peak hour and LOS D in the p.m. peak hour), compared to conditions without the proposed bridge. This mitigation measure will be implemented in part by financial contributions towards the construction cost of the Bridge provided as a condition of the Bode/Mission Valley Lease.

C. AIR QUALITY

Measure B.3, above, would reduce but not eliminate the project's contribution to potentially significant air quality impacts. The mitigation measures in this section would further reduce but not eliminate the project's contribution to potentially significant air quality impacts.

C.1 Each of the Industry Group construction aggregate industry project components, which would represent "stationary sources" of particulate emissions, shall include "best available control technology" (BACT) to control emissions, consistent with current regulations. For aggregate-handling operations (Bode Gravel, Mission Valley Rock, RMC Pacific, British Pacific Aggregates), this includes maintaining a moisture content in the aggregate that is high enough to eliminate PM-10 "fugitive" emissions (wind-blown dust that could otherwise escape into the surrounding air). A water spray system shall be installed at each aggregate-handling facility, including Bode Gravel, Mission Valley Rock, RMC Pacific, and British Pacific Aggregates. Fine aggregate material (sand) shall be maintained with a moisture content of approximately 5 percent, because such material with a moisture content of 4.5 percent or more produces virtually no fugitive emissions. Coarse aggregate (gravel) shall be kept damp on the surface, which would also effectively eliminate fugitive dust. Aggregate shall be stored in bunkers at ready-mix and asphalt plants, rather than open piles, with water spray (including the use of surfactants, as necessary, to bind the water and dust to the aggregate) applied to maintain adequate moisture content to control emissions at both production and shipping/storage operations. ISG Resources, which would handle fly ash, a finer, more powdery material than aggregate, shall install BACT dust collection equipment to accommodate truck and rail transport and shall use pneumatic equipment to control dust emissions during the transfer of fly ash.

C.3 Consistent with the City's Clean Air Program (established by Ordinance 258-99, adopted October 15, 1999), it is City policy to "foster, promote, and encourage the use of low emission [alternative fuel vehicles] and [zero emission vehicles] by developing infrastructures to support the use of these vehicles." Under the ordinance, the City is to (1) assess the need for a network of natural gas fueling stations accessible to the public; (2) site and develop at least five such facilities,

by public and/or private entities; (3) install 50 publicly accessible electric vehicle charging stations in City garages, lots, or other sites; (4) develop a plan for additional charging stations and related infrastructure; (5) buy and lease ultra-low and zero emission vehicles for City department use; (6) identify and convert diesel bus lines to electric service; (7) develop a plan to phase out older diesel buses; (8) develop a plan and incentives to encourage larger private vehicle fleets to convert their fleets to very low or zero emission vehicles; and (9) develop a car sharing program in high density neighborhoods.

Consistent with the City's Clean Air Program, the Port shall require that all tenants make a good faith effort to engage in operational practices sensitive to the environment and the neighboring community. In furtherance of this, the Port shall require that tenants operating a fleet of vehicles investigate the potential for use of low- or zero emission vehicles and implement measures to reduce vehicle emissions to the maximum feasible extent. Options may include, but not necessarily be limited to, the use of low-emission diesel fuel (including low-sulfur diesel); the use of catalytic particulate traps for diesel-powered engines that are currently under study by the California Air Resources Board; the use of other emerging technologies to reduce diesel particulate emissions; and use of electric vehicles. The Port shall also require that tenants operating diesel-powered stationary equipment investigate similar options. Tenants shall investigate retrofitting existing engines and purchase of new engines. The Port shall further require that tenants who work with independent trucking contractors encourage those contractors to make similar efforts, including, if reasonably feasible, providing such truckers with economic incentives to retrofit equipment or take other measures as may be necessary to use low-emission fuels. As an economic incentive to minimize diesel emissions from Port property, the Port shall contribute towards the incremental costs incurred by its tenants for Port-approved equipment and improvements in furtherance of this measure. Finally, the Port shall establish a schedule by which tenants described above shall report to the Port on progress in investigating reduced-emission engines.

C.4A To regulate the production of concrete or asphalt material consistent with the volumes analyzed in the Southern Waterfront SEIR, Bode/Mission Valley Lease and any other lease for concrete or asphalt batching operations on Port property shall include a provision ~~setting forth the maximum production volume allowed under the lease~~ requiring monthly reports to the Port of the amount of concrete or asphalt produced for the prior month, to enable the Port to monitor the overall amount of concrete and asphalt production levels such that the cumulative total of production volumes of such batching operation leases shall not exceed the volumes assumed and analyzed in the SEIR.

~~To monitor production volumes that may occur on Port property, the Port shall require as a condition of each lease that each tenant provide annually an audited account of the concrete and/or asphalt production volumes provided by each concrete or asphalt production business. The Port shall incorporate this information in an annual report to the Port Commission.~~

~~Should any existing tenants propose to increase production above the amounts stipulated in the lease, such change would require an amendment to the lease, and would be subject to further environmental review by the San Francisco Planning Department's Major Environmental Assessment (MEA) division.~~ If the cumulative total of production volumes of the concrete and/or asphalt batch plants exceed the levels assumed in the SEIR, the Port will order all such batch plant operations to be halted. Refusal to comply with the Port's order to halt will place the tenant in default of the lease. Overall production levels shall be reduced to volumes consistent with the SEIR analysis. Alternatively, if production levels higher than those assumed in the SEIR are proposed, such increased activity will be subject to additional environmental review by the San Francisco Planning Department's Major Environmental Assessment (MEA) division, and all

feasible mitigation measures implemented prior to the Port's allowance of the increased production activity. In determining whether further environmental impact analysis will be required, MEA will consider the production levels cited in the Port's report and any emission-reducing improvements that may have been incorporated into the on-site operations (stationary sources), and trucks and other vehicles associated with the operations (mobile sources).

C.5 The Port shall require that project sponsors direct construction contractors to implement a dust abatement program to reduce the contribution of project construction to local PM-10 concentrations. Elements of this program, which is currently applied to all Port tenants, include the following:

- Water internal roadways and unpaved construction areas just prior to the morning and evening peak traffic periods (to limit the potential for major roadway traffic to entrain dust), limit speeds to 10 mph, and sweep paved internal roads after the evening peak period.

- In addition, water active sites (e.g., where demolition, excavation or other earth work is underway) at least twice per day. Increase the frequency of watering when wind speeds exceed 15 miles per hour. Suspend all excavating and grading operation when instantaneous gusts exceed 25 miles per hour.

- Replace ground cover in disturbed areas as quickly as possible.

- Enclose, cover, water twice daily, or apply soil binders to exposed stockpiles of sand, gravel, and dirt.

- Install gravel at construction equipment entrances to unpaved areas to prevent tracking of dirt and mud onto streets.

- Sweep paved access roads, parking areas, and construction staging areas, at the end of day (with water sweepers), and sweep adjacent City streets if any visible soil material is carried over to these streets.

- Cover all trucks hauling dirt, sand, soil, or other loose materials. Maintain at least six inches of freeboard between the top of the load and the top of the trailer.

- Sweep up dirt or debris spilled onto paved surfaces immediately to reduce resuspension of particulate matter through vehicle movement over these surfaces.

- Designate a person or persons to oversee the implementation of a comprehensive dust control program and to increase watering, as necessary.

- Maintain and operate construction equipment so as to minimize particulates from exhaust emissions. During construction, require contractors to operate trucks and equipment only when necessary. Equipment should be kept in good condition and well-tuned, to minimize exhaust emissions.

Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsor shall require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose.

This mitigation measure also would reduce demolition-related impacts regarding lead paint chips/lead dust. The project sponsor shall also be required to comply with Chapter 36 of the San Francisco Building Code, Work Practices for Exterior Lead-Based Paint, enforced by the San Francisco Department of Building Inspection.

C.6 Consistent with the construction-period dust abatement program described in Mitigation Measure C.5, the Port shall require that Industry Group components and other aggregate-related tenants employ dust abatement procedures including, but not necessarily limited to, the following:

- installation and operation of truck wheel-washing systems at the plant exits;
- daily street sweeping on streets surrounding aggregate-related facilities; and
- clearly posting on the exterior wall or fence of such facilities a company telephone number for citizens to call with dust, noise, or other operational complaints, and designation of a Port staff contact for same.

No other feasible mitigation measures have been identified that would reduce the project's total regional emissions to a level below Bay Area Air Quality Management District thresholds, or eliminate the project's contribution to potentially significant cumulative impacts from all existing (unquantified) and future (unknown) emissions sources.

D. HYDROLOGY

D.1 For construction sites of less than five acres of disturbed area, the contractors shall be required to prepare and implement a Storm Water Pollution Prevention Plan (SWPPP) similar to that required under the statewide General Permit for Storm Water Discharges Associated with Construction Activity. The SWPPP would include site-specific information to identify and evaluate sources of pollutants associated with industrial activities and to identify and implement site-specific best management practices to reduce or prevent pollutants associated with industrial activities in stormwater discharges. Best management practices may be non-structural (e.g., activity schedules, maintenance procedures, prohibitions of practices) or structural (e.g., treatment measures, runoff controls, overhead coverage). Elements of the SWPPP shall include the following:

- measures for erosion and sediment controls
- methods for construction waste handling and disposal, and
- post-construction erosion and sediment control requirements.

D.2 To minimize the potential for water quality degradation from stormwater runoff, the Port shall require that all tenants and developers, including interim lessees such as the Industry Group members, implement source control Best Management Practices consistent with those identified in the Industrial / Commercial Storm Water Best Management Practices Handbook (Stormwater Quality Task Force, 1993). Measures shall include, but are not limited to, the following (some of which are proposed as part of one or more Industry Group components):

- prohibiting discharge of process water to storm drains or otherwise directly to the Bay or Islais Creek;
- separating stormwater from process water, such as concrete truck washout water and truck wash water, through the use of berms and other features, and ensuring that treated stormwater

to be discharged to the Bay meets applicable permit and regulatory standards, including pH (acidity or akalinity);

- for Industry Group components that would use water in dust control, creation of settling basins or similar features that would allow sediment to be removed from water prior to reuse and/or discharge;
- daily street sweeping of surrounding streets and, for facilities that operate on unpaved surfaces, installation and operation of truck wheel-washing systems at aggregate-related plants;
- employing appropriate containment measures for fuel, asphalt cement, and other hazardous materials stored on-site, to capture potential spills (including at on-site fueling areas);
- installing and maintaining grease and sediment traps at vehicle maintenance and washing areas to prevent contaminated runoff from entering the storm drains or Bay;
- installation of sediment containment systems around outdoor aggregate storage facilities to limit sediment entering stormwater runoff, and covering such storage areas if feasible to limit stormwater infiltration;
- creation of a designated wash-out area for concrete trucks to prevent concrete slurry from reaching the Bay; and
- cover any open conveyors in use over the Bay (i.e., between piers and ships and barges) to minimize the potential for direct sediment spill to the Bay.

D.3 As part of permit and lease requirements for future Port development projects, runoff from stormwater at new or re-developed facilities located outside of the City's combined sewer system shall be, at a minimum, subject to appropriate treatment such as on-site oil/water separators and/or sediment traps, depending on the nature of the pollutants that may be in the runoff, so that stormwater runoff is treated prior to discharge as needed to meet water quality objectives, and that there is no direct, untreated discharge exceeding water quality objectives to the Bay or Islais Creek. Stormwater runoff from future Port development sites shall not be directed to the City's combined system, as originally contemplated in the Waterfront Plan EIR, and the volume of stormwater flows from the project area to the City's combined sewer system shall remain the same as at present, unless the increased flow to the combined system would result in no additional volume of combined sewer overflows.

D.4 Sponsors of individual project components, including members of the Industry Group, shall be required to implement appropriate Best Management Practices for stormwater pollution prevention throughout the life of each lease and shall be required to monitor stormwater quality in accordance with the requirement of the statewide General Permit for Discharge of Industrial Stormwater.

E. HAZARDS

E.1 Accidental Release of Hazardous Materials or Petroleum Products

In accordance with the Hazardous Materials Ordinance, the sponsor of each Industry Group or Port project component shall ensure that a Hazardous Materials Business Plan is prepared for each of the project components involving the use of petroleum products or hazardous materials. The plan would specify methods for handling and storage of these including containment, site layouts, and emergency response and notification procedures for a spill or release.

The project sponsor(s) shall ensure that a Spill Control and Countermeasure Plan is prepared for any project involving the aboveground storage of petroleum products. The plan would include

requirements for appropriate spill containment or equipment to divert spills from sensitive areas, a discussion of facility-specific requirements for the storage system, inspections and a record keeping system, security for the system, and personnel training. The project sponsor(s) would also comply with the state requirement that above-ground storage tanks subject to federal regulations are registered with the Regional Water Quality Control Board.

E.2 Hazardous Materials in Soil

E.2a Because the Bode Gravel Company concrete batch plant ~~and Mission Valley Rock~~ projects would be constructed bayward of the historic high tide line and would involve the excavation of at least 50 cubic yards of soil, the sponsors of those components shall ensure that the contractors comply with the requirements of Article 22A, "Analyzing the Soil for Hazardous Wastes." In accordance with the approved site mitigation report for Bode Gravel Company's concrete batch plant ~~this project component~~, the site would be capped with an asphalt or concrete slab and structures. Upon completion of capping, a certification report would be prepared to document construction activities and a maintenance report would be prepared specifying procedures to be followed to control exposure to the subsurface soil following construction of the proposed project. These reports would be submitted to the San Francisco Department of Public Health for review and approval to ensure regulatory compliance.

~~For any other Industry Group or Port-sponsored project components for which Article 22A would apply (including the Illinois Street bridge, if applicable), a site history report, soil investigation, and soil analysis report would be completed to identify potential hazardous materials at this site.~~

~~If indicated by the results of the soil investigation, the project sponsor would ensure that the contractors for each project prepare a Site Mitigation Report in compliance with Article 22A if warranted by the levels of hazardous materials identified in the soil. The plan would include measures for the handling of soil produced during excavation, to control dust and runoff during construction, and to characterize soil for off-site disposal purposes. Upon completion of construction, the project sponsor would ensure that the construction contractors prepare a certification report certifying that either (1) no hazardous wastes present in the soil present an unacceptable risk and that no mitigations are required; or (2) all mitigation measures specified in the site mitigation report have been completed and that completion of the mitigation measures has been verified through follow up sampling and analysis, if required. All reports would be submitted to the San Francisco Department of Public Health (DPH) for review and approval to ensure regulatory compliance.~~

~~The project sponsor shall prepare and submit to DPH a site-specific Safety and Health Plan (SHP) that would address worker safety concerns resulting from potential contaminants on the site. The SHP would include provisions for responding to unknown hazardous materials site conditions that could be encountered during construction.~~

~~If the soil investigation demonstrates that hazardous wastes present in the soil could be at levels that pose an unacceptable health risk, the project sponsor would ensure that appropriate site investigations and risk evaluations are performed to evaluate potential human health risks related to any hazardous substances left in the soil or groundwater after completion of construction. The investigations, risk evaluations, and any required remedial actions would be implemented under the oversight of the appropriate regulatory agency(ies) to ensure compliance with applicable laws and that the public health and safety are protected.~~

E.2b For all projects where subsurface contamination is identified, the project sponsor ~~would~~ shall ensure that from the time that ground surfaces are exposed until the time that all remedial activities have been completed, a fence is erected around the area where chemicals have been identified in the soil and site access is restricted to necessary personnel. Warning signs prohibiting access by the

general public onto the project site ~~would~~ shall be posted at all construction access points. Access ~~would~~ shall be limited to authorized personnel only.

Dust-control measures applicable for air quality impacts would also minimize the potential public health impact associated with dust emissions and air quality pollutants. (See also Air Quality Mitigation Measures.)

G. GEOLOGY, SOILS, AND SEISMICITY

G.1 A geotechnical investigation ~~should~~ shall be conducted under the direction of a Geotechnical Engineer prior to permitting any new construction, ~~including construction of the proposed Illinois Street bridge,~~ or reuse of an existing structure for new uses that could increase the load of the structure ~~so as to~~ if such construction triggers the requirements of Section 3403.6 of the San Francisco Building Code. The investigation ~~should~~ shall be performed to evaluate subsurface conditions and existing foundation conditions at the site. The geotechnical investigation ~~should~~ shall evaluate the potential hazards such as settlement, ground shaking, ground rupture, liquefaction, subsidence, slope stability, and lateral spreading. Recommendations to mitigate geologic hazards ~~should~~ shall be made to the project's structural engineer regarding the design of new foundations, upgrading of existing foundations, seismic design, and mitigation of geologic hazards. *(1997 WLUP FEIR Measure I-1)*

G.2 To minimize hazards to building occupants from non-structural damage, the Port ~~should~~ shall require all Port facilities and tenants to carry out the following measures at a minimum: heavy objects ~~should~~ shall be attached to secure walls and floors, and light, loose objects ~~should~~ shall be placed to minimize their potential to move or overturn; large storage containers ~~should~~ shall not be loosely stacked, and those stored on shelves ~~should~~ shall have appropriate restraints or other means to prevent them from tipping or sliding off the shelves.

Heavy objects like freezers, boilers, chillers, laboratory equipment, battery racks and electrical transformers, heavy storage cabinets, tanks, safes, oversize file cabinets, etc., ~~should~~ shall be firmly secured to floors and walls to prevent their falling or sliding. All equipment using natural gas ~~should~~ shall be anchored. Care ~~should~~ shall be taken to avoid placement of such objects where they could topple or move and block exit doors. *(1997 WLUP FEIR Measure I-7b)*

G.3 ~~Because of the large number of employees and visitors in some facilities potentially on-site in an earthquake and the likelihood that the facilities will be needed to supply emergency response services, high-occupancy facilities should be required to store emergency response supplies and equipment on-site for a 72-hour reserve.~~

It is likely that emergency response systems in San Francisco and in the Bay Area as a whole would be overloaded in the immediate aftermath of a large earthquake. ~~Because of the large population that may be present in the Project Area in an earthquake (especially under Alternatives A and B),~~ Accordingly, it likely would be necessary for offices, hotels, industrial facilities and residents to be relatively self-sufficient for a period of a day or two until supply systems can be restored. Observations from large earthquakes, such as Mexico City in 1985 and Kobe in 1995, confirm that most supply services for water, power, food and medical supplies would be unavailable for a minimum of 72 hours after the earthquake. For this reason, ~~medical supplies needed for common earthquake injuries, stretchers, blankets, flashlights and~~ Bode Gravel Company shall be required to retain at least 72 hours' potable water and non-perishable food supply, ~~should be~~ stored at easily accessible locations. ~~in offices, business complexes, hotels and large residential structures. Heavy crow-bars, other heavy tools, and hand-operated loudspeakers should be kept in easily accessible and well-marked locations in every building and in large parking structures.~~ *(1997 WLUP FEIR Measure I-7c)*

G.4 Non-structural interior elements (ceilings, partitions, light fixtures, HVAC, pipes, etc.) ~~should~~ shall be designed to withstand strong ground shaking and remain intact. This would be accomplished, for example, by selecting lightweight materials and firmly securing them to structural elements of the building and by using flexible connections for pipes. *(1997 WLUP FEIR Measure I-7d)*

G.5 Require the use of flexible utility connections and fasten water heaters to walls. Require the installation of automatic shut-off valves in all natural gas pipelines and provide similar emergency shut-off valves for other gas (oxygen and nitrogen) systems or as otherwise required by the San Francisco Fire Department or the Port fire marshal. Do not install automatic shut-off valves for water supplies. Require the posting of room/building layout diagrams that indicate the location of shut-off valves for natural gas. *(1997 WLUP FEIR Measure I-7e)*

G.6 Require fire extinguishers in all rooms and hallways and adjacent to all exit doors (including stairwell exits), as required by the San Francisco Fire Code. Require that cabinets are not placed where they could overturn and block access to fire extinguishers. Require the training of all staff of offices, hotels, industrial facilities, restaurants and entertainment complexes in the use of fire extinguishers. *(1997 WLUP FEIR Measure I-7f)*

G.8 The Port ~~should~~ shall take feasible steps to minimize potential earthquake safety risks related to hazardous materials in its operations and that of its tenants.

Specific steps may include appropriate seismic safety provisions, such as prohibiting the storage of hazardous materials in containers above head level (about five feet); anchoring hazardous materials shelves and heavy equipment to walls and floors; constructing heavy doors that are designed to remain shut during earthquake vibrations; providing hand-operable closures for vents and air ducts; and other provisions as discussed in the Association of Bay Area Governments' *Hazardous Material Problems in Earthquakes: A Guide to Their Cause and Mitigation*. Other measures ~~should~~ shall be implemented as recommended by the San Francisco Fire Department and/or Health Department. Additionally, The Port has prepared an Emergency Procedures Manual for Port operations and periodically revise it to be consistent with changes in the facilities and operations. Tenants who use or store hazardous materials are required by the local Hazardous Materials Ordinance to develop a hazardous materials Business Plan, which includes emergency procedures. *(1997 WLUP FEIR Measure I-8a)*

G.9 The Port ~~should~~ shall require tenants to design all facilities for storage of hazardous chemicals in containers, such as cabinets, shelves, and drawers, to minimize potential hazards in an earthquake, in accordance with Fire Department and/or Health Department requirements.

Storage facilities ~~should~~ shall include safety lips to contain spills and to reduce the likelihood of contents falling. All shelves and cabinets ~~should~~ shall be secured to a wall or ceiling. All cabinets and drawers ~~should~~ shall be provided with positive latches that would not open during earthquake motions and vibrations. Compressed gas cylinders, including empty ones, ~~should~~ shall be secured to fixed features. Gas cylinders ~~should~~ shall be secured at two locations along their vertical axis, one in the top one-third of the cylinder and another in the bottom third of the cylinder.

The Port ~~should~~ shall require storage of hazardous chemicals in approved containers and separation of incompatible chemicals in separate storage areas. If chemical storage is vented by an electric fan, an alternative (emergency) means of ventilation ~~should~~ shall be provided, which may be a mechanical (non-powered) vent. *(1997 WLUP FEIR Measure I-8b)*

Implementation of Measures G.9 and G.10 would reduce hazardous materials-related non-structural safety hazards of an earthquake to an acceptable level of risk.

G.10 Project sponsors, including the Port, ~~should~~ shall employ an engineer qualified in earthquake engineering to incorporate into the final design of individual facilities developed under the WLUP

all economically feasible engineering methods to reduce the potential for loss of life-line services. This may include methods to improve unstable ground conditions, to strengthen infrastructure to be more resistant to earthquake induced ground movements, and to organize and prepare for earthquake response. While specialized techniques for ground improvement to reduce liquefaction hazards likely are not practical or economically feasible over large areas, ground improvements within selected strategic sites may result in substantial hazard reduction to utility systems. In such areas a variety of ground stabilization techniques may be considered, such as compaction grouting, placement of stone columns, and deep soil mixing. *(1997 WLUP FEIR Measure I-9a, Revised)*

G.11 For individual development projects, the use of flexible connections for utility lines may be needed (see Mitigation Measure G.7). Back-up supplies of water, power generators, and battery-operated telecommunications equipment may need to be installed (or enlarged at the existing facilities). The engineer ~~should~~ shall recommend the appropriate approach (e.g., separate facilities and equipment or upgrading existing facilities) for all Project Area facilities. *(1997 WLUP FEIR Measure I-9b)*

G-14 All open sub-grade structures and pits, whether temporary or permanent, ~~should~~ shall be provided with protection against damage resulting from adjustment to buoyant and lateral deforming soils.

All construction and design of such projects ~~should~~ shall provide specific measures to prevent hazards to people and damage to proposed or nearby structures that could result from these adjustments. In some cases, a specific geotechnical investigation may be required for permanent open sub-grade structures and open underground structures. *(1997 WLUP FEIR Measure I-2)*

G-15 Prior to any construction that would require dewatering, the applicant ~~should~~ shall submit and the Port ~~should~~ shall review a dewatering and excavation plan and an analysis of potential impact to adjacent properties to determine whether the potential exists to damage off-site property.

As a standard practice, the Port ~~should~~ shall require an application package that will indicate the amount of dewatering and the period over which dewatering may be required. The package shall ~~should~~ include a survey of adjacent structures with information concerning their age, foundation type, construction type, status as a historic landmark or structure of special significance, and record of any existing damage. The package shall ~~should~~ also identify adjacent City streets, the location of buried infrastructure, and an evaluation of groundwater quality, flow patterns, and disposal. In addition, the application ~~should~~ shall indicate any specific mitigation measures incorporated into the project to minimize hazards to structures and groundwater. *(1997 WLUP FEIR Measure I-3a)*

G-16 To minimize dewatering hazards, construction projects ~~should~~ shall provide shoring of all excavation pit walls, and provide supports to adjacent structures, including foundation support if needed. *(1997 WLUP FEIR Measure I-3b)*

G-17 All applicants for construction projects involving dewatering (as well as vibration-inducing pile driving) ~~should~~ shall post a surety bond or other equivalent mechanism to cover the costs of potential damage to off-site property from construction. (The bond is included in this EIR as a mitigation measure because of the uncertainty that other mitigation measures would protect off-site property from damage. If needed, the bond would be used to repair off-site damage and thus mitigate that impact.) The amount of the bond ~~would~~ will be determined by the Port. *(1997 WLUP FEIR Measure I-3c)*

G-18 Prior to any construction that would require dewatering or pile driving, the Port ~~should~~ shall notify all property owners within 200 feet of the proposed construction activity at least 30 days prior to the date of initiating demolition or excavation, whichever is the first activity to occur. The Port ~~should~~ shall provide an opportunity for all property owners to comment on the construction activity

and allow them the opportunity to have their property photo-documented for its pre-construction condition. The Port is responsible for inspection of construction activities and should note any observations of proven or suspected subsidence damage on the site and at adjacent sites. This measure would allow adjacent property owners to document the condition of their property prior to initiation of an activity that could result in damage. If damage does occur, the measure would help to identify the extent of the damage caused by construction within the Project Area. *(1997 WLUP FEIR Measure I-3d)*

G-19 For impacts from pile driving, the Port and project sponsors should implement Measures G-16 through G-19. *(1997 WLUP FEIR Measure I-4)*

I. ARCHAEOLOGICAL RESOURCES

I.1. Given the possibility that subsurface archaeological resources exist in the Southern Waterfront project area, yet the inherent uncertainty about the specific locations and scope of such buried resources, the Port or sponsor of individual future project(s), as determined by the Port, shall retain an archaeologist as early as is practical in the site selection or schematic design stage of future development project(s) that would involve excavation or other substantial soil disturbance of greater than four feet in depth. The archaeologist would prepare a brief preliminary site-specific evaluation or letter report, based on existing archival report information, assessing the archaeological sensitivity of the specific site(s) under consideration relative to the scope of excavation proposed. The archaeologist would consider the history of fill soils on the site(s) in the assessment of the potential for significant archaeological resources to exist and be disturbed or destroyed by the contemplated project, and make recommendations on subsequent actions designed to ensure the protection of potentially significant resources.

Based on the initial site-specific report, the archaeologist and the Environmental Review Officer (ERO) would determine whether a more detailed site assessment is warranted, the results of which could include an appropriate course of action necessary to minimize the disturbance to significant archaeological resources, and/or maximize information recovery where such disturbance cannot be avoided. Depending on the expected sensitivity of the area to be excavated, this could include a program of pre-construction testing, excavation monitoring, or both. If the ERO concurs with a preliminary evaluation determining that a project site has no potential to contain significant archaeological resources that could be impacted by a proposed development (which may commonly occur in the areas of recent fill or disturbance, such as most of the waterfront south of China Basin), then this measure would be satisfied and archaeological issues would no longer be a concern for that particular development project.

If, based on the likelihood of encountering significant archaeological resources as identified in the site assessment report(s), the archaeologist and the ERO determine that pre-construction testing is warranted to better determine the probability of finding cultural remains, the sponsor would retain the services of an archaeologist familiar with prehistoric and urban historical archaeology, and San Francisco specifically. The archaeologist would carry out a pre-excavation testing program using a series of mechanical, exploratory borings or trenches and/or other testing methods determined by the archaeologist and the ERO to be appropriate.

If, after testing, the archaeologist determines that no further investigations or precautions are necessary to safeguard potentially significant archaeological resources, the archaeologist would submit a written report to the ERO, with a copy to the project sponsor. If the archaeologist determines that further investigations or precautions are necessary, he/she should consult with the

ERO and they should jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources.

These additional mitigation measures would be implemented by the project sponsor and might include a program of on-site monitoring of all site excavation, during which the archaeologist would record observations in a permanent log. The monitoring program, whether or not there are finds of significance, would result in a written report to be submitted first and directly to the ERO, with a copy to the project sponsor. During the monitoring program, the project sponsor would designate one individual on site as his/her representative. This representative would have the authority to direct and suspend work at the site to give the archaeologist time to investigate and evaluate archaeological resources should they be encountered.

Should evidence of cultural resources of potential significance be found during the monitoring program, the archaeologist would immediately notify the ERO, and the project sponsor would halt any activities which the archaeologist and the ERO jointly determine could damage such cultural resources. Ground-disturbing activities which might damage cultural resources would be suspended for a total maximum of four weeks over the course of construction.

If prehistoric archaeological deposits are fortuitously discovered, the California Native American Heritage Commission in Sacramento and local Native American organizations should be consulted and involved in making resource management decisions. All applicable legal requirements concerning the treatment of cultural materials and Native American burials should be enforced.

After notifying the ERO, the archaeologist would prepare a written report to be submitted first and directly to the ERO, with a copy to the project sponsor, which would contain an assessment of the potential significance of the find and recommendations for what measures should be implemented to minimize potential effects on archaeological resources. Based on this report, the ERO would recommend specific additional mitigation measures to be implemented by the project sponsor. These additional mitigation measures might include a site security program, additional on-site investigations by the archaeologist, and/or documentation, preservation, and recovery of cultural material.

Finally, the archaeologist would prepare a report documenting the cultural resources that were discovered, an evaluation as to their significance, and a description as to how any archaeological testing, exploration and/or recovery program was conducted.

Copies of all draft reports prepared according to this mitigation measure would be sent first and directly to the ERO for review. Following approval by the ERO, copies of the final report would be sent to the President of the Landmarks Preservation Advisory Board and the California Historical Resources Information System Northwest Information Center. Three copies of the final archaeology report(s) shall be submitted to the Office of Major Environmental Analysis of the Planning Department, accompanied by copies of the transmittals documenting its distribution to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center. *(1997 WLUP FEIR Measure O-1b)*

Based on the descriptions of the Industry Group project components and the proposed Illinois Street bridge, minimal excavation would be required, and none of these project components would appear to have the potential to disturb subsurface cultural resources, should such resources be present at a particular project component site. Measure I.1 above would apply, however, to future Port development.

REFERENCES – Mitigation Measures

Stormwater Quality Task Force, *Industrial/Commercial Best Management Practices Handbook*, prepared by Camp Dresser & McKee, et. al., March 1993.

Planning/oshima/southern waterfront/southern waterfront SEIR/6

EXHIBIT 2
PORT OF SAN FRANCISCO – BODE/MISSION VALLEY LEASE
MITIGATION MEASURE MONITORING PROGRAM

Exhibit to Bode/Mission Valley Lease CEQA Findings, adopted by Port Commission Resolution 01-44, June 12, 2001

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
B. Transportation					
B.1 To mitigate 2015 conditions, monitor traffic level of service (LOS) conditions at the intersections listed below in Table 23. At such time as warranted by traffic conditions (i.e., a degradation of the p.m. peak-hour service level to an unacceptable LOS E or F), institute the identified improvements or implement another measure determined at that time to be adequate to mitigate the degradation in level of service. Third/25th : Restripe the east- and westbound approaches to provide left-turn lanes; revise signal timing to provide protected east- and westbound left-turn phases. (2015 a.m. pk. hr. LOS would improve from D to C; 2015 p.m. pk. hr. LOS would improve from F to D) Illinois/25th: Install traffic signal (2015 a.m. pk. hr LOS would improve from B (C) to B; 2015 p.m. pk. hr. LOS would improve from F to A) Pennsylvania/I-280 SB on-ramp: Install traffic signal (2015 a.m. pk. hr. LOS improves from B (C) to B; 2015 p.m. pk. hr. LOS improves from LOS F to B) Third/Cesar Chavez: Add a second northbound left-turn lane and an additional lane in each direction to the western approach on César Chávez Street. (This would require the acquisition of additional right-of-way on Third Street at the southeast corner of the intersection, where there is an existing building.) (2015 a.m. pk. hr. LOS improvcs from F to D; 2015 p.m. pk.hr LOS improves from F to D) Illinois/Cesar Chavez: Install traffic signal; Restripe the northbound and southbound approaches to provide left-turn lanes and shared right-through lanes; Restripe the eastbound and westbound approaches to provide a shared left-through lane and a shared through-right lane. (2015 a.m. pk. hr LOS improves from F to D; 2015 p.m. pk. hr. LOS improves from F to B) Amador/Cargo: Install traffic signal; Restripe the southbound Amador Way approach to provide a left-turn lane, a shared left-through lane, and a right-turn lane (2015 a.m. pk. hr. LOS improves from F to C; 2015 p.m. pk. hr. improves from F to B)	Dept. of Parking & Traffic (DPT), MUNI, Port	New signals at Illinois/25th Sts, Illinois/Cesar Chavez Sts, and the restriped eastbound and westbound lanes at Illinois/Cesar Chavez will be implemented as part of the MUNI Third Street Light Rail project. A new signal at Amador St/Cargo Way will be implemented by the Port as part of the Illinois Street Rail and Truck Bridge (if approved). For the rest of the mitigation improvements described, the Port Commission will recommend to DPT that these measures be implemented, if traffic conditions in the future reach the LOS cited in the SEIR. If traffic analysis determines that congestion levels are attributable to Port development,	When level of service is anticipated to degrade to an unacceptable level as a result of Port or other development project	Major Environmental Assessment (MEA) of the Planning Dept to notify DPT and project sponsors if environmental analysis for development projects will result in LOS E or F.	Signal and lane improvements, as described (or equivalent), have been implemented.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
		Port may be required to contribute funding to implement mitigation measures.			
B.3 The Illinois Street bridge that is proposed by the Port would improve operating conditions at Third Street and Cargo Way to an acceptable level of service (LOS C in the a.m. peak hour and LOS D in the p.m. peak hour), compared to conditions without the proposed bridge. Bode/Mission Valley will make financial contribution of *[$____]* towards implementation of the Bridge.	Port	Port requires contribution as a condition of Bode Lease	Contribution due prior to commencement of Bode/Mission Valley lease	Bode/Mission Valley provide contribution funds to Port	Port Accounting Dept confirm receipt of funds.
B.4 The Port shall comply with requests from the Major Environmental Analysis section of the Planning Department to analyze intersection levels of service for existing and future conditions at intersections that may reasonably be expected to be affected by each future development project, and shall identify and implement appropriate mitigation measures. Any such transportation analysis will be coordinated with monitoring of the Congestion Management Program network, conducted biennially by the San Francisco County Transportation Authority. Within the WLUP Project Area, a number of intersecting streets (César Chávez, and Evans west of Third) are included on the CMP network. The Authority would conduct monitoring activities along these facilities. Degradation of the Level of Service for one or more individual intersections within an arterial segment, to Level of Service "F" or to below some other designation deemed to be acceptable, could also degrade the segment Level of Service. The degree of impact to the segment may not be sufficient for the Transportation Authority to identify a "deficiency" under the CMP process (Level of Service "F" for the entire segment), even though the Port or City could impose mitigation requirements for developers of projects that would have a significant impact on individual intersections. Based on the transportation analysis for this EIR, cumulative development along the Waterfront might cause degradation of a particular segment of the CMP network to fall to "F," thereby triggering a finding of deficiency requiring formulation of a Deficiency Plan, and implementation of that Plan under the CMP processes identified by the Transportation Authority. The Authority could, in this circumstance, identify the Port as the lead agency for development of the Deficiency Plan and for implementation of any corrective measures, which would result in the Port taking direct responsibility or requiring sponsors of specific development projects that contribute to cumulative congestion to	Planning Dept. Major Environmental Assessment (MEA) and Port	MEA requests traffic analysis on specified intersections in project area	During environmental analysis, prior to project approval	MEA reports findings to Port, project sponsor, including any additional proposed mitigation measures	When traffic analysis and feasible mitigation measures are implemented.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
participate in improvement and mitigation measures. *(also cited in 1997 WLUP FEIR, Measure D.4)*					
C. Air Quality					
C.1 Bode/Mission Valley, which would represent a "stationary source" of particulate emissions, shall include "best available control technology" (BACT) to control emissions, consistent with current regulations. For aggregate-handling operations, this includes maintaining a moisture content in the aggregate that is high enough to eliminate PM-10 "fugitive" emissions (wind-blown dust that could otherwise escape into the surrounding air). A water spray system shall be installed at Bode/Mission Valley's facility at Pier 92. Fine aggregate material (sand) shall be maintained with a moisture content of approximately 5 percent, because such material with a moisture content of 4.5 percent or more produces virtually no fugitive emissions. Coarse aggregate (gravel) shall be kept damp on the surface, which would also effectively eliminate fugitive dust. Aggregate shall be stored in bunkers, rather than open piles, with water spray (including the use of surfactants, as necessary, to bind the water and dust to the aggregate) applied to maintain adequate moisture content to control emissions at both production and shipping/storage operations.	Bode/Mission Valley	Bode/Mission Valley provides Port with a list of BACT measures, drawings or other documentation to show siting for bunkers and water source to maintain specified moisture content	When plant is completed, prior to opening of operations.	Bode/Mission Valley to implement the Port's dust mitigation monitoring program, under the direction of the Port's Environmental staff, which includes third party monitoring of compliance with this mitigation measure	When bunkers and spray equipment is installed and used; monitoring of compliance will be an ongoing task, under the Port's direction.
C.3 Consistent with the City's Clean Air Program, the Port shall require that all tenants make a good faith effort to engage in operational practices sensitive to the environment and the neighboring community. In furtherance of this, the Port shall require that tenants operating a fleet of vehicles investigate the potential for use of low- or zero emission vehicles and implement measures to reduce vehicle emissions to the maximum feasible extent. Options may include, but not necessarily be limited to, the use of low-emission diesel fuel (including low-sulfur diesel); the use of catalytic particulate traps for diesel-powered engines that are currently under study by the California Air Resources Board; the use of other emerging technologies to reduce diesel particulate emissions; and use of electric vehicles. The Port shall also require that tenants operating diesel-powered stationary equipment investigate similar options. Tenants shall investigate retrofitting existing engines and purchase of new engines. The Port shall further require that tenants who work with independent trucking contractors encourage those contractors to make similar efforts, including, if reasonably feasible, providing such truckers with economic incentives to retrofit equipment or take other measures as may be necessary to use low-emission fuels. As an economic incentive to minimize diesel emissions from Port property, the Port shall contribute towards the incremental costs incurred by its tenants for Port-approved equipment and improvements in furtherance	Bode/Mission Valley	Bode/Mission Valley to provide monthly reports to the Port, including description of good faith efforts or measures to reduce diesel emissions from Bode/Mission Valley plant or vehicles, or outside truckers with whom they do business.	Monthly reports	Bode/Mission Valley submits reports to Port	Year 2006, when Federal diesel emission regulations become effective.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
of this measure. Finally, the Port shall establish a schedule by which tenants described above shall report to the Port on progress in investigating reduced-emission engines.					
C.4a To regulate the production of concrete or asphalt material consistent with the volumes analyzed in the Southern Waterfront SEIR, the Bode/Mission Valley Lease shall include a provision requiring monthly reports to the Port of the amount of concrete produced for the prior month, to enable the Port to monitor the overall amount of concrete Bode and other concrete operators produce, such that the cumulative total of production volumes of such batching operation leases shall not exceed the volumes assumed and analyzed in the SEIR.	Bode/Mission Valley and Port	Bode to provide to the Port monthly reporting of the volume of concrete produced; lease provisions requiring the Port to halt operations if overall production volumes assumed and analyzed in the SEIR are exceeded; lease provision requiring implementation of feasible mitigation measures that may be identified as a result of any further environmental review conducted to analyze production volumes in excess of the levels in the SEIR.	Prior to approval of Bode/Mission Valley Lease	Bode/Mission Valley provides monthly report to Port containing audited account of concrete production volumes for the prior month. Port assembles Bode/Mission Valley production data with that from reports for any other concrete production companies, and submits a report of cumulative data to Commission every six months. If Bode/Mission Valley, collectively with other concrete plant operators, exceed the production limit, all operators will be required to reduce production to levels consistent with the SEIR, or be declared in default of their lease, and all production halted. Any individual or collective proposals to increase production volumes will require further environmental review by MEA, and implementation of additional, feasible mitigation measures.	Cumulative production report is submitted to Commission on an ongoing, semi-annual schedule.
C.5 The Port shall require that project sponsors direct construction contractors to implement a dust abatement program to reduce the contribution of project construction to local PM-10 concentrations. Elements of this program, which is currently applied to all Port tenants, include the following: - Water internal roadways and unpaved construction areas just prior to the morning and evening peak traffic periods (to limit the	Bode/Mission Valley and Port	Implement described dust control measures	During construction and Bode/Mission Valley plant operations	Bode/Mission Valley will participate in Port's dust mitigation monitoring program, including providing funding for independent site inspections and monitoring to ensure compliance with	Construction mitigation measures and monitoring will be completed when construction is completed. Monitoring and inspections of

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
potential for major roadway traffic to entrain dust), limit speeds to 10 mph, and sweep paved internal roads after the evening peak period. - In addition, water active sites (e.g., where demolition, excavation or other earth work is underway) at least twice per day. Increase the frequency of watering when wind speeds exceed 15 miles per hour. Suspend all excavating and grading operation when instantaneous gusts exceed 25 miles per hour. - Replace ground cover in disturbed areas as quickly as possible. - Enclose, cover, water twice daily, or apply soil binders to exposed stockpiles of sand, gravel, and dirt. - Install gravel at construction equipment entrances to unpaved areas to prevent tracking of dirt and mud onto streets. - Sweep paved access roads, parking areas, and construction staging areas, at the end of day (with water sweepers), and sweep adjacent City streets if any visible soil material is carried over to these streets. - Cover all trucks hauling dirt, sand, soil, or other loose materials. Maintain at least six inches of freeboard between the top of the load and the top of the trailer. - Sweep up dirt or debris spilled onto paved surfaces immediately to reduce resuspension of particulate matter through vehicle movement over these surfaces. - Designate a person or persons to oversee the implementation of a comprehensive dust control program and to increase watering, as necessary. - Maintain and operate construction equipment so as to minimize particulates from exhaust emissions. During construction, require contractors to operate trucks and equipment only when necessary. Equipment should be kept in good condition and well-tuned, to minimize exhaust emissions. - Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsor shall require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. This mitigation measure also would reduce demolition-related impacts regarding lead paint chips/lead dust. The project sponsor shall also be required to comply with Chapter 36 of the San Francisco Building Code, Work Practices for Exterior Lead-Based Paint, enforced by the San Francisco Department of Building Inspection.				mitigation measures.	Bode/Mission Valley plant operations will be ongoing through the term of the lease.
C.6 Consistent with the construction-period dust abatement program in Measure C.5, the Port shall require that Industry Group components and other aggregate-related tenants employ dust abatement procedures	Bode/Mission Valley and Port	Implement described dust control measures	During construction and Bode/Mission Valley plant	Bode/Mission Valley will participate in Port's dust mitigation monitoring	Wheel wash and posting of contact info must be successfully

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
including, but not necessarily limited to, the following: - installation and operation of truck wheel-washing systems at the plant exits; - daily street sweeping on streets surrounding aggregate-related facilities; and - clearly posting on the exterior wall or fence of such facilities a company telephone number for citizens to call with dust, noise, or other operational complaints, and designation of a Port staff contact for same.			operations	program, including providng funding for independent site inspections and monitoring to ensure compliance with mitigation measures.	installed/completed prior to opening for business. Daily street sweeping to be maintained on an ongoing basis.
D. Hydrology					
D.1 For construction sites of less than five acres of disturbed area, the contractors shall be required to prepare and implement a Storm Water Pollution Prevention Plan (SWPPP) similar to that required under the statewide General Permit for Storm Water Discharges Associated with Construction Activity. The SWPPP would include site-specific information to identify and evaluate sources of pollutants associated with industrial activities and to identify and implement site-specific best management practices to reduce or prevent pollutants associated with industrial activities in stormwater discharges. Best management practices may be non-structural (e.g., activity schedules, maintenance procedures, prohibitions of practices) or structural (e.g., treatment measures, runoff controls, overhead coverage). Elements of the SWPPP shall include the following: - measures for erosion and sediment controls - methods for construction waste handling and disposal, andpost-construction erosion and sediment control requirements.	Bode/Mission Valley and Port	Bode/Mission Valley prepares SWPPP, and submits for review by Port and the consultant hired to produce a Southern Waterfront master stormwater plan.	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant facilities	Port	Upon Port confirmation that concrete plant facility completion has met all required standards/criteria in the SWPPP. Monitoring to ensure implementation of required SWPPP stormwater measures would continue through the term of the lease.
D.2 To minimize the potential for water quality degradation from stormwater runoff, the Port shall require that Bode/Mission Valley implement source control Best Management Practices consistent with those identified in the Industrial/Commercial Storm Water Best Management Practices Handbook (Stormwater Quality Task Force, 1993). Measures shall include, but are not limited to, the following: • prohibiting discharge of process water to storm drains or otherwise directly to the Bay or Islais Creek • separating stormwater from process water, such as concrete truck washout water and truck wash waqter, through the use of berms and other features, and ensuring that treated stromwater to be discharged to the Bay meets applicable permit and regulatory standards, including pH • for businesses that use water in dust control, creation of settling	Bode/Mission Valley	Bode/Mission Valley implement source control Best Management Practices, in concert with SWPPP	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant facilities	Port	Upon Port confirmation that concrete plant facility completion has met all required standards/criteria in the SWPPP. Monitoring to ensure implementation of required SWPPP stormwater measures would continue through the term of the lease.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
basins or similar features that would allow sediment to be removed from water prior to reuse and/.or discharge • daily street sweeping of surrounding streets and, for facilities that operate on unpaved surfaces, installation and operation of truck wheel-washing systems at aggregate-related plants • employing appropriate containment measures for fuel, asphalt cement, and other hazardous materials stored on-site, to capture potential spills (including on-site fueling areas) • installing and maintaining grease and sediment traps at vehicle maintenance and washing areas to prevent contaminated runoff from entering the storm drains or Bay • installation of sediment containment systems around outdoor aggregate storage facilities to limit sediment entering stormwater runoff, and covering such storage areas if feasible to limit stormwater infiltration • creation of a designated wash-out area for concrete trucks to prevent concrete slurry from reaching the Bay • cover any open conveyors in use over the Bay (i.e. between piers and ships and barges) to minimize the potential for direct sediment spill to the Bay.					
D.3 As part of permit and lease requirements for future Port development projects, runoff from stormwater at new or re-developed facilities located outside of the City's combined sewer system shall be, at a minimum, subject to appropriate treatment such as on-site oil/water separators and/or sediment traps, depending on the nature of the pollutants that may be in the runoff, so that stormwater runoff is treated prior to discharge as needed to meet water quality objectives for stormwater, and that there is no direct, untreated discharge of stormwater exceeding water quality objectives to the Bay or Islais Creek. Stormwater runoff from future Port development sites shall not be directed to the City's combined system, as originally contemplated in the Waterfront Plan EIR, and the volume of stormwater flows from the project area to the City's combined sewer system shall remain the same as at present, unless the increased flow to the combined system would result in no additional volume of combined sewer overflows.	Bode/Mission Valley and Port	Bode/Mission Valley prepares SWPPP, and submits for review by Port and the consultant hired to produce a Southern Waterfront master stormwater plan.	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant facilities	Port	Upon Port confirmation that concrete plant facility completion has met all required standards/criteria in the SWPPP
D.4 Sponsors of individual project components, including members of the Industry Group, shall be required to implement appropriate Best Management Practices for stormwater pollution prevention throughout the life of each lease and shall be required to monitor stormwater quality in accordance with the requirement of the statewide General Permit for Discharge of Industrial Stormwater.	Bode/Mission Valley and Port	Bode/Mission Valley prepares SWPPP, and submits for review by Port and the consultant hired to produce a Southern	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for	Port	Upon confirming that concrete plant facility completion has met all required standards/criteria in the SWPPP.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
		Waterfront master stormwater plan.	installation of concrete plant facilities		*[Note: Under a separate lease provision, Bode/ Mission Valley will be required to comply with a Southern Waterfront Storm Water Management Program under development by the Port, which may require the tenant to meet additional stormwater objectives and criteria beyond those required in Measure D.4.], prior to completion of construction.*

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
E. Hazards					
E.1 In accordance with the Hazardous Materials Ordinance, Bode/Mission Valley/Mission Valley shall ensure that a Hazardous Materials Business Plan is prepared for project components involving the use of petroleum products or hazardous materials. The plan would specify methods for handling and storage of these including containment, site layouts, and emergency response and notification procedures for a spill or release. Bode/Mission Valley shall ensure that a Spill Control and Countermeasure Plan is prepared for any aboveground storage of petroleum products. The plan would include requirements for appropriate spill containment or equipment to divert spills from sensitive areas, a discussion of facility-specific requirements for the storage system, inspections and a record keeping system, security for the system, and personnel training. The project sponsor(s) would also comply with the state requirement that above-ground storage tanks subject to federal regulations are registered with the Regional Water Quality Control Board.	Bode/Mission Valley and Port	Bode/Mission Valley prepares Hazardous Materials Business Plan for any use of petroleum products or hazardous materials, and a Spill Control Plan if there are any above-ground storage of petroleum products.	Plan(s) to be completed and on file with the Port prior to opening for business	Port	Once Plan(s) are determined by the Port to be complete and on file, prior to opening for business.
E.2a Because the Bode/Mission Valley project would be constructed bayward of the historic high tide line and would involve the excavation of at least 50 cubic yards of soil, the sponsors of those components shall ensure that the contractors comply with the requirements of Article 22A, "Analyzing the Soil for Hazardous Wastes." In accordance with the approved site mitigation report for the Bode/Mission Valley Lease, the site would be capped with an asphalt or concrete slab and structures. Upon completion of capping, a certification report would be prepared to document construction activities and a maintenance report would be prepared specifying procedures to be followed to control exposure to the subsurface soil following construction of the proposed project. These reports would be submitted to the San Francisco Department of Public Health for review and approval to ensure regulatory compliance.	Bode/Mission Valley and Dept of Public Health (DPH)	Bode/Mission Valley completes work, certification report and maintenance report, and submits them to DPH	Complete certification report subsequent to site capping, prior to construction of facilities; Complete maintenance report following completion of construction.	DPH and Port	Receipt of Maintenance Report within one year of completion of project construction.
E.2b For all projects where subsurface contamination is identified, the project sponsor shall ensure that from the time that ground surfaces are exposed until the time that all remedial activities have been completed, a fence is erected around the area where chemicals have been identified in the soil and site access is restricted to necessary personnel. Warning signs	Bode/Mission Valley and Port	Bode/Mission Valley to provide fencing, warning signs and access restrictions	Prior to site grading, preparation for construction	Bode/Mission Valley to provide written notice of meeting mitigation requirement to the Port	Once fencing, warning signs and access restrictions are in place.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
prohibiting access by the general public onto the project site shall be posted at all construction access points. Access shall be limited to authorized personnel only.					
E.3 The Port shall contract for or require that Port tenant(s) contract for disposal of any portion of the soil pile on the Bode and Mission Valley Rock sites at Pier 92 that cannot be reused for construction projects in accordance with applicable waste disposal regulations. Such reuse would also require approval of the San Francisco Department of Public Health.	Port	Port will treat, reuse or remove the soil pile in accordance with all applicable environmental laws and regulations.	To be determined upon completion of assessment of soil piles by San Francisco Dept, of Public Health, in consultation with CA Dept. of Toxic Substances Control	Port to respond pursuant to direction of Dept. of Public Health	As determined by Dept. of Public Health.
G. Geology, Soils, and Seismicity					
G.1 A geotechnical investigation shall be conducted under the direction of a Geotechnical Engineer prior to permitting any new construction, if such construction triggers the requirements of Section 3403.6 of the San Francisco Building Code. The investigation shall be performed to evaluate subsurface conditions and existing foundation conditions at the site. The geotechnical investigation shall evaluate the potential hazards such as settlement, ground shaking, ground rupture, liquefaction, subsidence, slope stability, and lateral spreading. Recommendations to mitigate geologic hazards shall be made to the project's structural engineer regarding the design of new foundations, upgrading of existing foundations, seismic design, and mitigation of geologic hazards. *(1997 FEIR Measure I-1*	Bode/Mission Valley and Port	Bode/Mission Valley to consult geotechnical engineer to review proposed new plant facilities, and incorporate any mitigating recommendations in plans submitted in Port building permit application to comply with Section 3403.6, if determined to be applicable.	Prior to issuance of Port building permit(s) allowing construction of facilities	Bode/Mission Valley and Port Building Inspectors, upon review of Bode/Mission Valley building permit application	Upon completion of construction, incorporating geotechnical recommendations
G.2 To minimize hazards to building occupants from non-structural damage, the Port shall require all tenants to carry out the following measures at a minimum: heavy objects shall be attached to secure walls and floors, and light, loose objects shall be placed to minimize their potential to move or overturn; large storage containers shall not be loosely stacked, and those stored on shelves shall have appropriate restraints or other means to prevent them from tipping or sliding off the shelves. Heavy objects like freezers, boilers, chillers, laboratory equipment, battery racks and electrical transformers, heavy storage cabinets, tanks, safes, oversize file cabinets, etc., shall be firmly secured to floors and walls to prevent their falling or sliding. All equipment using natural gas shall be anchored. Care shall be taken to avoid placement of such objects where they could topple or move and block	Bode/Mission Valley	Bode/Mission Valley to submit report, with photos, documenting that items/equipment have been secured.	Prior to opening for business	Bode/Mission Valley to submit report annually, starting on first anniversary of commencement of operations, with photos, documenting that items/equipment have been secured. Alternatively, Port property manager or safety personnel may inspect premises.	Ongoing requirement

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
exit doors. *(1997 FEIR Measure I-7b)*					
G.3 Bode/Mission Valley shall maintain on-site a 72 hour supply of potable water, food and basic medical supplies and tools to meet the needs of its employees during earthquakes or emergencies.	Bode/Mission Valley	Provide provisions on-site	Prior to opening for business	Bode/Mission Valley to provide report to Port documenting that it has 72 hour reserve supplies.	Port receipt of report prior to Bode/Mission Valley's opening for business
G.4 Non-structural interior elements (ceilings, partitions, light fixtures, HVAC, pipes, etc.) shall be designed to withstand strong ground shaking and remain intact. This would be accomplished, for example, by selecting lightweight materials and firmly securing them to structural elements of the building and by using flexible connections for pipes. *(1997 FEIR Measure I-7d)*	Bode/Mission Valley	Bode/Mission Valley to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Bode/Mission Valley to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.5 Require the use of flexible utility connections and fasten water heaters to walls. Require the installation of automatic shut-off valves in all natural gas pipelines and provide similar emergency shut-off valves for other gas (oxygen and nitrogen) systems or as otherwise required by the San Francisco Fire Department or the Port fire marshal. Do not install automatic shut-off valves for water supplies. Require the posting of room/building layout diagrams that indicate the location of shut-off valves for natural gas. *(1997 FEIR Measure I-7e)*	Bode/Mission Valley	Bode/Mission Valley to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Bode/Mission Valley to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.6 Require fire extinguishers adjacent to all exit doors (including stairwell exits), as required by the San Francisco Fire Code. Require that cabinets are not placed where they could overturn and block access to fire extinguishers. Require the training of all staff in the use of fire extinguishers. *(1997 FEIR Measure I-7f)*	Bode/Mission Valley	Bode/Mission Valley to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Bode/Mission Valley to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.8 The Port shall take feasible steps to minimize potential earthquake safety risks related to hazardous materials in its operations and that of its tenants. Specific steps shall include appropriate seismic safety provisions, such as prohibiting the storage of hazardous materials in containers above head level (about five feet); anchoring hazardous materials shelves and heavy equipment to walls and floors; constructing heavy doors that are designed to remain shut during earthquake vibrations; providing hand-operable closures for vents and air ducts; and other provisions as discussed in the Association of Bay Area Governments' *Hazardous Material Problems in Earthquakes: A Guide to Their*	Bode/Mission Valley	Bode/Mission Valley to submit report, with photos, documenting that items/equipment have been secured	Prior to completion of construction of new facilities	Bode/Mission Valley to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
Cause and Mitigation. Other measures shall be implemented as recommended by the San Francisco Fire Department and/or Health Department. Additionally, The Port has prepared an Emergency Procedures Manual for Port operations and periodically revise it to be consistent with changes in the facilities and operations. Tenants who use or store hazardous materials are required by the local Hazardous Materials Ordinance to develop a hazardous materials Business Plan, which includes emergency procedures. *(1997 FEIR Measure I-8a)*					
G.9 The Port shall require tenants to design all facilities for storage of hazardous chemicals in containers, such as cabinets, shelves, and drawers, to minimize potential hazards in an earthquake, in accordance with Fire Department and/or Health Department requirements. Storage facilities shall include safety lips to contain spills and to reduce the likelihood of contents falling. All shelves and cabinets shall be secured to a wall or ceiling. All cabinets and drawers shall be provided with positive latches that would not open during earthquake motions and vibrations. Compressed gas cylinders, including empty ones, shall be secured to fixed features. Gas cylinders shall be secured at two locations along their vertical axis, one in the top one-third of the cylinder and another in the bottom third of the cylinder. The Port shall require storage of hazardous chemicals in approved containers and separation of incompatible chemicals in separate storage areas. If chemical storage is vented by an electric fan, an alternative (emergency) means of ventilation shall be provided, which may be a mechanical (non-powered) vent. *(1997 FEIR Measure I-8b)*	Bode/Mission Valley	Bode/Mission Valley to submit report, with photos, documenting that items/equipment have been secured	Prior to completion of construction of new facilities	Bode/Mission Valley to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.10 Project sponsors, including the Port, shall employ an engineer qualified in earthquake engineering to incorporate into the final design of individual facilities developed under the WLUP all economically feasible engineering methods to reduce the potential for loss of life-line services. This may include methods to improve unstable ground conditions, to strengthen infrastructure to be more resistant to earthquake induced ground movements, and to organize and prepare for earthquake response. While specialized techniques for ground improvement to reduce liquefaction hazards likely are not practical or economically feasible over large areas, ground improvements within selected strategic sites may result in substantial hazard reduction to utility systems. In such areas a	Bode/Mission Valley	Bode/Mission Valley to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
variety of ground stabilization techniques may be considered, such as compaction grouting, placement of stone columns, and deep soil mixing. *(1997 FEIR Measure I-9a, Revised)*					
G.11 For individual development projects, the use of flexible connections for utility lines may be needed . Back-up supplies of water, power generators, and battery-operated telecommunications equipment may need to be installed (or enlarged at the existing facilities). The engineer shall recommend the appropriate approach (e.g., separate facilities and equipment or upgrading existing facilities) for all Project Area facilities. *(1997 FEIR Measure I-9b)*		Bode/Mission Valley to include such specifications in their building permit plans submitted to the Port	Prior to completion of construction of new facilities	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy
G.12 The Port shall work in cooperation with the City's Office of Emergency Services (OES), Fire Department and Police Department to plan routes of alternative emergency access to development sites and hospitals following a catastrophe that could affect emergency routes. *(1997 FEIR Measure 1-9c)*	Port	Port works with OES, Fire and Police Depts. to plan emergency access routing	Ongoing	OES	Ongoing
G.13 An inspection schedule shall be developed and followed for regular inspection and evaluation of the condition of the piers. In conjunction with the inspection schedule, a maintenance and repair schedule shall be developed and implemented, coordinated with the Port's Capital Plan. *(1997 FEIR Measure I-10a)*	Port	Conduct inspections and establish maintenance and repair schedule	Regular inspections; repair per schedule	Port	Inspection and repairs continue on an ongoing basis
G-14 All open sub-grade structures and pits, whether temporary or permanent, shall be provided with protection against damage resulting from adjustment to buoyant and lateral deforming soils. All construction and design of such projects shall provide specific measures to prevent hazards to people and damage to proposed or nearby structures that could result from these adjustments. In some cases, a specific geotechnical investigation may be required for permanent open sub-grade structures and open underground structures. *(1997 FEIR Measure I-2)*	Bode/Mission Valley	Bode/Mission Valley to include such specifications in their building permit plans submitted to the Port	Prior to completion of construction of new facilities	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy
G-15 Prior to any construction that would require dewatering, the applicant shall submit and the Port shall review a dewatering and excavation plan and an analysis of potential impact to adjacent properties to determine whether the potential exists to damage off-site property. As a standard practice, the Port shall require an application package that will indicate the amount of dewatering and the period over which dewatering may be required. The package shall include a survey of adjacent structures with information concerning their age, foundation	Bode/Mission Valley	Bode/Mission Valley to hire engineer to determine whether dewatering is required and, if so, include such specifications in their building permit plans	Prior to issuance of construction permits	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
type, construction type, status as a historic landmark or structure of special significance, and record of any existing damage. The package shall also identify adjacent City streets, the location of buried infrastructure, and an evaluation of groundwater quality, flow patterns, and disposal. In addition, the application shall indicate any specific mitigation measures incorporated into the project to minimize hazards to structures and groundwater. *(1997 FEIR Measure I-3a)* G-16 To minimize dewatering hazards, construction projects shall provide shoring of all excavation pit walls, and provide supports to adjacent structures, including foundation support if needed. *(1997 FEIR Measure I-3b)* G-17 All applicants for construction projects involving dewatering (as well as vibration-inducing pile driving) shall post a surety bond or other equivalent mechanism to cover the costs of potential damage to off-site property from construction. (The bond is included in this EIR as a mitigation measure because of the uncertainty that other mitigation measures would protect off-site property from damage. If needed, the bond would be used to repair off-site damage and thus mitigate that impact.) The amount of the bond will be determined by the Port. *(1997 FEIR Measure I-3c)*		submitted to the Port			
G-18 Prior to any construction that would require dewatering or pile driving, the Port shall notify all property owners within 200 feet of the proposed construction activity at least 30 days prior to the date of initiating demolition or excavation, whichever is the first activity to occur. The Port shall provide an opportunity for all property owners to comment on the construction activity and allow them the opportunity to have their property photo-documented for its pre-construction condition. The Port is responsible for inspection of construction activities and should note any observations of proven or suspected subsidence damage on the site and at adjacent sites. This measure would allow adjacent property owners to document the condition of their property prior to initiation of an activity that could result in damage. If damage does occur, the measure would help to identify the extent of the damage caused by construction within the Project Area. *(1997 FEIR Measure I-3d)*	Bode/Mission Valley	Bode/Mission Valley to provide a minimum 30 days notice to Port tenants/ property owners within 200 feet of the construction activity.	At least 30 days prior to any dewatering or pile driving construction activity	Bode/Mission Valley to contact Port real estate staff for current mailing list of all Port tenants within 200 feet. Bode to provide Port real estate staff a copy of the written notice, sent at least 30 days in advance of dewatering or pile driving activity.	Port receives copy of notice, confirms it has provided a minimum 30 day comment and response period, and confirms that Bode/Mission Valley or the Port has reasonably responded to any comments received.
I-1 Bode/Mission Valley shall retain an archaeologist to prepare a brief preliminary site-specific evaluation or letter report assessing the archaeological sensitivity of the Bode/Mission Valley Lease site, if the project involves excavation or substantial soil disturbance of greater	Bode/Mission Valley	Retain archaeologist to prepare preliminary site-	At least three months prior to start of construction, to allow sufficient time	Bode/Mission Valley to provide archaeologist's preliminary site-specific evaluation or letter report to	ERO determination that all applicable requirements of this mitigation measure

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
than four feet in depth, and/or pile driving. Based on the initial site-specific report, the archaeologist and the Environmental Review Officer (ERO) would determine whether a more detailed site assessment is warranted. If the ERO concurs with a preliminary evaluation determining that a project site has no potential to contain significant archaeological resources (which may commonly occur in the areas of recent fill or disturbance, such as most of the waterfront south of China Basin), then this measure would be satisfied. If the archaeologist and ERO determine that pre-construction testing is warranted, Bode/Mission Valley would retain an archaeologist familiar with prehistoric and urban historical archaeology, and San Francisco specifically, to carry out a pre-excavation testing program. If the archaeologist determines that further investigations or precautions are necessary, s/he should consult with the ERO to jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources. Should evidence of cultural resources of potential significance be found during the monitoring program, the archaeologist would immediately notify the ERO, and Bode/Mission Valley would halt any activities which the archaeologist and ERO determined could damage such cultural resources. Ground-disturbing activities which might damage cultural resources would be suspended for a total maximum of four weeks over the course of construction. If prehistoric archaeological deposits are discovered, the California Native American Heritage Commission in Sacramento and local Native American organizations shall be consulted. All applicable legal requirements concerning the treatment of cultural materials and Native American burials shali be enforced. *Please review Measure I-1 in its entirety in the SEIR for further details regarding possible procedures to carry out the above. In addition, SEIR Measures I-1 sets forth procedures for documenting by the archaeologist of any cultural resource discoveries.*		specific evaluation for review by the ERO, if pile driving and/or excavation in excess of four feet will occur	for any additional archaeological analysis to be completed.	ERO for review and determination	have been completed.
Planning/oshima/southern waterfront/southern waterfront SEIR/9					

PORT OF SAN FRANCISCO

MEMORANDUM

June 6, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of a maritime industrial lease with Bode Gravel Company and Mission Valley Rock for space at Wharf 92 for use as a maritime dry bulk cargo terminal and concrete ready-mix facility

DIRECTOR'S RECOMMENDATION: APPROVE MARITIME INDUSTRIAL LEASE WITH BODE GRAVEL COMPANY AND MISSION VALLEY ROCK FOR SPACE AT WHARF 92 FOR USE AS A MARITIME DRY BULK CARGO TERMINAL AND CONCRETE READY-MIX FACILITY

BACKGROUND

Bode Gravel Company (Bode) is a family-owned business, which has operated concrete ready-mix facilities within the City of San Francisco since 1915. Bode currently operates a concrete ready-mix facility at Third and Sixteenth Streets, which is within the boundaries of the Catellus Mission Bay development project. Bode is anticipating relocation from this site in the near future, since the proposed Mission Bay development does not include this use.

Bode is interested in remaining in San Francisco because of numerous local construction projects such as the Mission Bay Development projects, UCSF Campus Facility, Downtown Ferry Terminal, Third Street Light Rail Extension, the Caltrans Bay Bridge and other seismic retrofits, all of which will require the services of a concrete ready-mix facility. Bode has proposed a lease for a site at Wharf 92, which currently is under lease to Mission Valley Rock (MVR) (Lease No. L-12388). This is in accord with the Port Maritime staff's Marketing Plan, which identifies bulk building materials such as cement, sand, gravel and other aggregate products as targeted cargo for maritime revenue generation.

This Print Covers Calendar Item No. **4B**

MVR currently operates a marine dry bulk cargo terminal, which receives sand and aggregate materials by barge. These aggregate products are used in the production of concrete. The close proximity to this dry bulk terminal has been the key attraction to Bode in proposing its relocation to this area.

As a result, Bode / MVR propose to become joint venture partners for the purposes of operating a marine dry bulk cargo terminal and concrete ready-mix plant. They propose to handle and store cement and aggregate products from ships, barges, trucks and trains to support the operation of a concrete ready-mix plant. Bode / MVR may also deliver cement to the site by rail, thus re-activating regular rail service to the facility. The proposed ready-mix plant will mix the cement and aggregate materials to produce ready-mix concrete. The ready–mix concrete would then be transported by truck to local job sites.

There are five primary land use documents that regulate uses on property within the jurisdiction of the Port of San Francisco. These documents are the California Public Trust, the General Plan of the City and County of San Francisco, the San Francisco Planning Code, the Port's Waterfront Land Use Plan (WLUP) and the Bay Conservation and Development Commission's (BCDC) Seaport Plan. The discussion below outlines how the proposed Bode / MVR ready-mix plant at Wharf 92 is compatible with these regulatory documents.

The Public Trust: The San Francisco Waterfront is publicly owned and held in "public trust" on behalf of the people of California. The Port of San Francisco is trustee for these public lands. The California Constitution requires that uses within the Port's jurisdiction promote navigation, fisheries, waterborne commerce, enhance natural resources or attract people to use and enjoy San Francisco Bay. The Port, as trustee, makes the determination as to whether a given lease or land use is consistent with the Public Trust.

Certain long-term uses are acceptable on trust property. Such uses include all maritime and maritime support, other water-related industry, open space, water-related commercial recreation and specialty retail and commercial which is designed to draw people to the waterfront. The proposed ready-mix plant is a maritime use and as such is an acceptable trust use.

General Plan of the City and County of San Francisco: The General Plan is made up of numerous Area Plans. The Southern Waterfront area is within the boundaries of the South Bayshore Plan. The Plan provides objectives and policies to continue Heavy Industrial and Heavy Commercial uses in the project area and maintain a separation of industrial uses from residential uses. The proposed ready-mix plant is permitted as a principal use in the plan.

San Francisco Planning Code: The property at Wharf 92 is located within the M-2 Heavy Industrial District. The proposed ready-mix plant is permitted as a principal use in this District.

Waterfront Land Use Plan (WLUP): The proposed ready-mix facility is considered a maritime cargo industrial use under the WLUP since waterborne dry bulk cargo (aggregate) will be unloaded from barges or ships to the ready-mix plant facility. The WLUP provides a list of acceptable uses for different areas of the waterfront. The *Southern Waterfront Acceptable Land*

Use Table governs uses at Wharf 92. This table indicates that "Cargo Shipping" is an acceptable use at Wharf 92.

BCDC Seaport Plan: The Plan identifies *Port Priority Use Areas* that are reserved for regional maritime port use and include within their premises marine terminals and directly related ancillary activities. A marine terminal includes the wharf, storage area, offices, rail and truck facilities, and other functions necessary to the efficient operation of a terminal. Wharf 92 is located within a designated *Port Priority Use Area*. The proposed ready-mix plant is an acceptable use since it would maintain and increase dry bulk cargo shipping through the existing marine terminal at Pier 90 – 92.

PROPOSED LEASE

The following is an outline of basic terms and conditions to be included in the Lease with Bode Gravel Company / Mission Valley Rock for premises located at Wharf 92.

1. **Premises:** Approximately 192,072 sq. ft. of open land located at Wharf 92.

2. **Use:** The construction and operation of a maritime dry bulk cargo terminal and concrete ready-mix plant including general administrative and maintenance uses directly related thereto, the shipping, receiving, storage and handling of construction materials, delivery and shipment by barge, rail and truck, and for no other purpose.

3. **Term:** Ten (10) years, with three (3) five (5) year options. Port approval of Tenant's exercise of the options is expressly conditioned on Tenant's compliance not only with all terms and conditions of the Lease, but also on Tenant's compliance with Southern Waterfront Supplemental Environmental Improvement Report (SEIR) mitigation measures and all other site-specific requirements set forth in the Lease and the Exhibits thereto.

4. **Rent**:

   a. Base Rent: Rental Rate of $.16 per sq. ft. per month for open land, with annual cost of living increases.

      Total Base Rent: $30,731.52 per month. $368,778.24 annually.

   b. Base Rent shall be adjusted to market rent every five (5) years.

5. **Dockage and Wharfage**: Charges will be assessed per Port Tariff for aggregate materials. Current wharfage rate is $.75 per kilo-ton (2,204.6 lbs.).

6. **Tenant's Maritime Commitment:** The Tenant agrees to ship through the Port the following minimum quantities of aggregate materials during the term of the Lease.
   a. First year: 75,000 tons per year
   b. Second year and each year thereafter an average of: 175,000 tons per year based on a three year rolling average, adjusted annually

   If Tenant fails to meet the minimum level of bulk cargo shipments to the Port of San Francisco facilities, Tenant shall pay to Port a Maritime Deficiency Fee equal to the Wharfage fees that would otherwise have been attributable to the quantities of bulk cargo tonnage constituting the Deficiency.

7. **Improvements:** The Premises will be accepted by the Tenant in its "as is" condition, except for any remediation required by regulatory agencies for the existing soil pile, a portion of which sits on the southwest corner of the Lease Premises. The Port will be responsible for any required mediation and handling of the soil pile. All work to the Premises shall be conducted by Tenant at its sole cost and expense. All improvements shall be subject to the approval of the Port and shall require a building permit from the Port. Tenant shall be responsible for any required infrastructure modifications or improvements including roads, water, sanitary and storm sewers.

8. **Environmental:** Bode/MVR will be required to comply with applicable mitigation measures identified the Southern Waterfront Supplemental Environmental Improvement Report (SEIR). The mitigation measures shall become required conditions of the Lease.

9. **Annual Concrete Production limit:** The SEIR analysis is based on certain assumptions and projections that were made regarding annual production of aggregate construction material, on total production of concrete and asphalt on Port facilities. The existing and short term future 2003 production limit for concrete is 650,000 cubic yards and 400,000 cubic yards for asphalt. This is projected to increase to 850,000 cubic yards of concrete and 530,000 cubic yards of asphalt by 2015.

   The Tenant, collectively with the other concrete operators, will be required as a condition of the Lease to submit monthly reports to the Port of audited production levels. The monthly reports will be monitored by the Port to ensure that the cumulative total of concrete produced does not exceed the aggregate based construction material production assumption in the SEIR. The monthly reporting will enable the Port and affected tenants to know in advance any potential for exceeding the production level limit, and thus allow measures to be taken to ensure such overage does not occur. In the event that the production limit is exceeded, despite the monthly reporting requirement, the tenants would be declared in default of their respective leases, and all concrete operation halted if overall production cannot be reduced to a level consistent with the SEIR. Increases in the production of concrete or aggregate based construction material above the level assumed in the SEIR, under any circumstances, will be subject to further environmental review by the San Francisco Planning Department's Office of Major Environmental Analysis (MEA). If MEA determines that the increased production

level exceeds the impacts identified in the SEIR analysis, the further environmental evaluation may include additional mitigation measures that would be considered by the Commission as additional lease conditions.

10. **Infrastructure Improvements:** Tenant agrees to make a one time payment to the Port in the amount of $209,358.00, which Port shall allocate toward the construction of the Illinois Street Intermodal Bridge, the "Gateway Project" or other as yet-to-be defined projects.

11. **Storm Water Pollution Prevention**: In addition to requiring the Tenant to meet the current Storm Water Pollution Prevention Plan (SWPPP) requirements, the Port is developing a Storm Water Management Program (Program) for the Southern Waterfront area between Pier 70 and India Basin. The Program will establish specific standards and the best available storm water management practices and control technologies that apply to the existing and proposed industrial and maritime facilities. The range of effective storm water management and treatment options will be expanded to include natural systems and alternative innovative technologies. The Program will be developed to provide the Port and its Tenants a guidance for storm water management and treatment and practices and may exceed the current SWPPP requirements. The Tenant's SWPPP will be required by the Port Environmental Manager and consultant team that is developing the Program, with the intent of providing early input to best assume the SWPPP is consistent with storm water treatment objectives that are emerging in the Program. When the Port adopts its Storm Water Management Program (which will include water quality criteria, inspection and monitoring standards and reporting requirements), Tenant shall comply with all conditions of the program, including any additional provisions that exceed Tenants' requirements under the SWPPP.

12. **Tenant's Reporting Requirement**: Tenant shall submit a Monthly Activity and Monitoring Report, which shall include concrete production levels, maritime imports of bulk materials, truck trips, use of rail facilities, monitoring of SEIR mitigation measures, including dust mitigation monitoring, Storm Water Monitoring Program, local trucker participation and employment training programs.

13. **Local Trucking**: Tenant agrees that, for all trucking opportunities associated with Tenant's operations at the Premises, Tenant shall make good faith efforts to first use local truckers.

SOUTHERN WATERFRONT ADVISORY COMMITTEE (SWAC)
SWAC has reviewed and voted to approve the Lease between the Port and Bode/MVR.

Prepared by: Mark W. Lozovoy, Assistant Deputy Director, Real Estate

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-45

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and

WHEREAS, Bode Gravel Company/Mission Valley Rock ("Bode/MVR") has proposed to develop a concrete ready-mix plant and maritime dry bulk cargo terminal facility at Wharf 92 on property to be leased from the Port Commission; and

WHEREAS, Bode/MVR has agreed to ship through the Port minimum quantities of aggregate materials during the Term of the Lease; and

WHEREAS, Bode/MVR shall comply with a Port approved Environmental Mitigation Plan, which shall become a material exhibit to the Lease, and

WHEREAS, the proposed use of the Wharf 92 and maritime dry bulk cargo terminal facility is consistent with the California Public Trust, the General Plan of the City and County of San Francisco, the San Francisco Planning Code, the Waterfront Land Use Plan and the BCDC Seaport Plan; and now therefore, be it

RESOLVED, that the San Francisco Port Commission hereby approves a maritime industrial lease between the Port and Bode/MVR for a concrete ready-mix plant and maritime dry bulk cargo terminal facility at Wharf 92 upon final terms and conditions to be approved by the Port Commission, in a form to be approved by the City Attorney's Office, which terms and conditions are set forth substantially and in preliminary form in the Memorandum of Agenda Item 4B for the June 12, 2001 Port Commission Meeting.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 12, 2001.

_____
Secretary

G:\AGENDAS 2001\Misson Valley Rock & Bode\qy\6/6/01.doc

PORT OF SAN FRANCISCO

MEMORANDUM

June 5, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Pius Lee
Hon. Denise McCarthy

FROM: Douglas F. Wong
Executive Director

SUBJECT: APPROVAL OF THE FIRST AMENDMENT TO PACIFIC MARINE YACHT CHARTERS, L.L.C. LEASE NO. L-12938

DIRECTOR'S RECOMMENDATION: APPROVE THE FIRST AMENDMENT TO PACIFIC MARINE YACHT CHARTER'S LEASE NO. L-12938 THAT AMENDS THE START DATE FOR PERCENTAGE RENT.

On July 25, 2000, the San Francisco Port Commission, approved a twenty-year Lease with Pacific Marine Yacht Charters, L.L.C ("Tenant") for use of a portion of Pier 9, with supplemental terms added by Resolution No. 00-84 approved on November 1, 2000.

The Lease states that "the term shall be for twenty (20) years commencing on the earlier of the date Tenant opens for business in the Premises, but in no event later than May 1, 2001." The Lease also requires the Tenant to repair and maintain the Premises apron, including the substructure, for which Tenant is allowed a rent credit. The Lease also requires the Tenant to pay percentage rent sales from Tenant's vessels regardless of the vessel's point of passenger loading and/or unloading or the vessel's point of departure or final destination.

Although the Lease provided a five- year window to effect the repairs to the apron and substructure, the Port's Engineering staff has inspected and found the apron to be unsafe in its current state. Tenant cannot currently use the Premises apron for its operations until it effects such repairs.

This Print Covers Calendar Item No. **4C**

Tenant has commenced paying base rent on May 1, 2001 in accordance with the terms of the lease. In addition, Tenant is in the process of undertaking the repairs to the apron before its vessels can be moved to the berths at Pier 9. In the interim, Tenant continues to berth and operate its vessels from its former premises at Pier 39, and continues to also pay Pier 39 rent. The Port receives a percentage of such rent through its lease with Pier 39.

Because Tenant's vessels cannot move to Pier 9 from their current location at Pier 39 until repairs have been implemented, the Tenant is currently paying double rent, and has requested the Port to amend the lease to calculate the percentage rental on or after the earlier of (1) the date that the Port's building department issues a temporary certificate of occupancy or such other approval permitting the berthing of, and access to, vessels at the Premises; or (2) November 1, 2001.

A copy of the proposed Lease amendment is attached hereto.

Prepared by: Jill Simpson
Maritime Marketing Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-43

WHEREAS, On July 25, 2000, the San Francisco Port Commission, approved a twenty-year Lease with Pacific Marine Yacht Charters, L.L.C for use of a portion of Pier 9, with supplemental terms added by Resolution No. 00-84 approved on November 1, 2000.

WHEREAS, Pacific Marine Yacht Charters, L.L.C. desires to amend the Lease to calculate the percentage rental on sales occurring on or after the earlier of (1) the date that the Port's building department issues a temporary certificate of occupancy or such other approval permitting the berthing of, and access to, vessels at the Premises; or (2) November 1, 2001; now therefore, be it

RESOLVED, that the San Francisco Port Commission approves the First Amendment to Lease No. L-12938 with Pacific Marine Yacht Charters, L.L.C., in substantially the form of which is on file with the Secretary of the Port Commission for this agenda item; and be it further

RESOLVED, that the Port Commission authorizes the Executive Director (i) to enter into the Amendment, (ii) to make any necessary refinements to the Amendment as are approved by the City Attorney; and (iii) to take all such further actions as are necessary to put the Amendment into effect.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 12, 2001.

_____

Secretary

FIRST AMENDMENT TO LEASE NO. L-12938

This First Amendment to Lease No. L-12938 (the "First Amendment") is entered into as of this fourth day of June, 2001 by and between the City and County of San Francisco, a municipal corporation ("City"), acting by and through the San Francisco Port Commission ("Port") and Pacific Marine Yacht Charters, L.L.C. ("Tenant")

WITNESSETH

Whereas, Port and Tenant have previously entered into Lease No. L-12938, dated as of May 15, 2000, for certain premises located at Pier 9, as more particularly described in the Lease; and

Whereas, the Lease requires Tenant to pay percentage rent on Tenant's vessels in accordance with Sections 1.6 and 5.3, regardless of the vessel's point of passenger loading and/or unloading or the vessel's point of departure or final destination; and

Whereas, percentage rent under the Lease is payable during the Lease term, commencing on May 1, 2001; and

Whereas, due to certain repairs to the Premises that are necessary to allow the berthing of Tenant's vessels at the Premises (the "Apron Repairs"), Tenant is unable to operate its vessels from the Premises, and continues to pay rent to Port's tenant at Pier 39, which in turn pays the Port percentage rent; and

Whereas, the parties wish to amend the Lease to delay the payment of percentage rent by Tenant under the Lease in order to allow Tenant sufficient time to perform the Apron Repairs;

Now, Therefore, in consideration of the mutual covenants, conditions and terms set forth herein, Port and Tenant agree as follows:

1. Section 1.6 (Percentage Rent): The following sentence is hereby added at the end of Section 1.6 (Percentage Rent):

   Notwithstanding the foregoing, Tenant shall only be responsible to pay percentage rent hereunder on all sales described above to the extent that such sales originate on or after the earlier of (1) the date that the Port's building department issues a temporary certificate of occupancy or such other approval permitting the berthing of, and access to, vessels at the Premises; or (2) November 1, 2001.

2. Remainder Unchanged. Except as otherwise set forth herein, the remainder of the Lease remains in full force and effect, and unchanged.

IN WITNESS WHEREOF, the parties hereto have entered into this First Amendment as of the day and year first written above.

PORT

CITY AND COUNTY OF SAN FRANCISCO,
A municipal corporation, acting by and through
the SAN FRANCISCO PORT COMMISSION

By: _____
Name: Peter Dailey
Title: Maritime Director

Date Executed: _____

By: _____
Louise Renee, City Attorney

Date Executed: _____

TENANT

Pacific Marine Yachts Charters LLC

By: _____
Name:
Title:

Date Executed: _____

PORT OF SAN FRANCISCO

MEMORANDUM

June 7, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Nomination of a Northern Waterfront Maritime Historic District to the National Register of Historic Places

DIRECTOR'S RECOMMENDATION: Authorize Staff to Issue a Request for Proposals to procure the services of an Architectural Historian for the preparation of a Northern Waterfront Maritime Historic District nomination to the National Register.

BACKGROUND

The proposal to create a Northern Waterfront National Register Historic District is the result of community planning efforts over the past two years as part of the BCDC, Port and Save the Bay's process to amend the BCDC and Port plans for the San Francisco Waterfront.

On February 18, 2000 the Port Commission authorized staff to prepare materials to nominate a Northern Waterfront Historic District, Pier 45 to China Basin, to the National Register of Historic Places by the adoption of Resolution No. 00-16 (Attachment A - Resolution No. 00-16).

On July 20, 2000 BCDC and the Port Commission approved amendments to plans for the San Francisco Waterfront to establish a consistent set of policies. The plan amendments committed the Port to prepare and submit a Northern Waterfront Historic District, Pier 45 to China Basin, nomination to the National Register of Historic Places to the State Office of Historic Preservation (OHP), by June 30, 2002.

On February 28, 2001 staff convened a meeting of preservation experts to solicit their input on a proposed approach and work plan for conducting the appropriate

THIS PRINT COVERS CALENDAR ITEM NO. **5A**

research and preparation of the necessary documentation to complete a draft historic district nomination (Attachment B – Roster of Preservation Experts Consulted). At the meeting the preservation experts reached consensus on three major issues. First, there was agreement that the draft Scope of Work prepared by staff was both appropriate and complete. Second, there was recognition of the Port's need to prepare an accompanying set of historic district Design Criteria to provide guidance on appropriate alterations and treatments for adaptive reuse projects within the proposed district. The experts also expressed support for the in-house creation of Design Criteria by Port staff and recognized their value to the Port's implementation of the historic district, but requested that they be separate from the nomination. Third, the preservation experts expressed strong opinions about the Port's need to retain an Architectural Historian to prepare the district nomination.

On March 30, 2001 staff met with Steade Craigo, State Historic Architect, from the State Office of Historic Preservation, to discuss the Port's need to have specific piers determined eligible for the National Register in order to qualify for use of the 20 Percent Federal Rehabilitation Tax Credits, prior to the completion of the district nomination.
Mr. Craigo also recommended that the Port retain the services of an Architectural Historian to prepare the nomination and stated that this would facilitate the expeditious completion of the nomination process.

Staff Analysis

After consideration of the comments of the preservation experts, in recognition of the need to secure Federal Rehabilitation Tax Credits for Port adaptive reuse projects, and in light of the recommendations of OHP, staff believes it appropriate and prudent to seek consultant assistance to prepare the historic district nomination

Consultant Scope of Work

The scope of work for architectural historian would include the following:

1. The consultant would be required to review, confirm and update the results and findings of previous historic preservation evaluations, surveys, reports, studies, analyses and designations for each structure and the Northern Waterfront. Additionally, the consultant would be required to conduct additional primary and secondary research as required to demonstrate that the district meets one or more applicable National Register criteria.

   As part of this work the consultant may be required to inventory specified individual historic resources to identify the date of construction, architect/engineer, historic use and function, as well as to prepare a summary description of the interior and exterior of each structure between Piers 45 and 48. The inventory shall also include identification of previous federal, state or local architectural or historic recognition assigned to each structure. This task would require field inspections and review of Port architectural plans and building permit records to construct a chronology of the use and alteration of each structure during the Period of Significance.

2. The consultant would be responsible to prepare Part 1, Evaluation of significance, of the Historic Preservation Certification Application ("Application") to secure a National Register determination of eligibility for the district. The consultant would utilize existing research and analysis to complete the Application and to demonstrate to the satisfaction of the OHP and NPS that the proposed district is National Register eligible. This work task may also require the consultant to conduct specific additional research in order to obtain formal recognition from these agencies that the district is eligible so that adaptive reuse projects at Piers 11/2, 3 & 5, 27-31 and possibly Pier 45 Shed A may qualify for use of the 20 percent Federal Rehabilitation Tax Credits as contributory resources within the district.

   The Statement of Significance to be provided by the consultant would include an historic context analysis for the proposed district, including but not limited to, a chronology of the history of the Northern Waterfront that identifies the theme of the district nomination and Period of Significance. The Statement of Significance must also identify significant historic dates, periods of time, events and persons or organizations associated with the Northern Waterfront during the Period of Significance and demonstrate how the physical characteristics distinguish and convey its historical significance and support the overall district theme. Additionally, the Statement of Significance must provide a comparison of the Northern Waterfront to other localities in the region, state and country. The Statement of Significance shall also provide clear analysis and findings to demonstrate that the proposed district meets one or more applicable National Register criteria.

3. The consultant would also be responsible to review, as directed by Port staff, site specific historic resource surveys produced by historic preservation experts on Pier 11/2, 3 & 5, 27-31 and possibly Pier 45 Shed A development teams to ensure that they are providing the most complete analysis, findings and documentation available for the district, and the individual historic resources within it, that are the subject of their specific development proposal. The purpose of the consultant's coordination would be to facilitate individual adaptive reuse projects access to the use of Tax Credits.

   Because the preparation of the individual development project Part 1 Applications and the historic district nomination are separate but interrelated projects, that must be consistent, the consultant would be required to review all individual Part 1 Applications prepared by development teams for the Piers 11/2, 3 & 5, 27-31 and possibly Pier 45 Shed A projects. During the preparation of the district nomination the consultant would be required to collaborate with these development teams in their preparation and submission of individual Part 1 Applications to OHP and NPS. The consultant would be required to conduct a peer review to ensure the accuracy, completeness and consistency of these individual Applications with the district nomination. Likewise, the consultant would be required to incorporate as appropriate the resource specific information contained in these Applications into the district nomination.

4. The consultant shall provide the Port with a recommendation as to the contributory or non-contributory status of each structure in the district. For contributory structures the consultant shall be responsible to identify their character defining features and to prepare a summary of the degree of integrity and contribution of each structure to the historical context and theme of the district.

5. Based on the Statement of Significance findings and the inventory of contributing resources the consultant shall provide information required by the Port to prepare a base map designating the proposed geographic boundaries of the district. The base map should include the footprint of each of the structures and identify their contributory or non-contributory status. Additionally, the map should provide a reference key to the historic and contemporary photographic views of the district and the structures with in it. The consultant shall provide a detailed background explanation that sets forth the rationale and justification for the proposed district boundaries including a description that satisfies the requirements of OHP and NPS.

6. The consultant shall assemble historic photographs, as necessary, to document the district theme and significance from the Port, Maritime Museum, the main San Francisco Public Library, Bancroft Library, California Historical Society archive and other sources for incorporation into the nomination. The consultant shall provide Digital photographs of the interior and exterior existing conditions of representative contributory structures. The consultant may be required to scan representative historic photographs and import select contemporary digital photographs into an electronic nomination form.

7. The consultant would be required to review, as directed by Port staff, Historic District Design Criteria that will be separately produced by Port staff, to ensure that the Criteria are consistent in the identification and treatment of significant building fabric and supported by the findings in the nomination document.

8. The consultant would be required to assemble and organize research, analysis, findings and supporting documentation into a draft nomination, in both hard copy and electronic formats, for internal Port staff review, and as directed by Port staff, to revise the draft nomination to address Port comments.

9. The consultant would be required to present the draft nomination to and respond to comments regarding the accuracy and completeness of the nomination from San Francisco Architectural Heritage, the San Francisco Landmarks Preservation Advisory Board, and meetings of historic preservation experts convened by the Port. Additionally, the consultant may be requested by the Port to attend presentations on the historic district to City Boards, Commissions, Port Advisory Committees and community groups, for review and comment, and as directed to by Port staff to revise the nomination to address comments on the accuracy and completeness of the nomination received from these parties.

10. The consultant would also be required to present final a draft nomination, along with Port staff, to the Port Commission for approval and authorization to submit the

nomination to the Office of Historic Preservation and National Park Service for formal action.

The consultant would be responsible to coordinate with OHP through out the preparation of the nomination and to present the draft nomination to the State Historic Resource Commission, and as directed, to revise the nomination to respond to their comments.

Tentative Schedule

The schedule for the preparation of a draft historic district nomination is as follows:

- Issuance of RFP June 15, 2001.
- Pre-submittal Meeting June 22, 2001, 1:30 p.m. Port of San Francisco Pier 1, Bayside Conference Room.
- Consultant proposals due July 2, 2001 by 4 p.m.
- Oral Interviews may be requested July 9, 2001.
- Selection of Consultant July 20, 2001.
- Negotiation of contract terms August 15, 2001.
- First draft of nomination to Port staff for review November 1, 2001.
- Final draft of nomination submitted to Port staff November 19, 2001.
- Present final draft nomination to the Port Commission January 2, 2002.
- Submittal of final draft nomination to the OHP and NPS February 15, 2002.

Proposal Evaluation Criteria

The proposals would be evaluated by staff to determine which consultant best meets the Port's following Evaluation Criteria:

1. Approach to providing consulting services
2. Experience of individuals proposed to work on this assignment
3. Fee Proposal

The evaluation would be based upon a weighted-average point system. Each of the three (3) numbered criterion would be equally weighted. The consultant with the highest score, including any applicable HRC rating bonus would then be recommended for the contract. (Unless otherwise disqualified for conflict of interest issues.)

Future Commission Actions

Following the evaluation of the responses received as a result of the issuance of the Request for Proposals staff would return to the Commission for authorization to select the preferred consultant and to execute a contract for their services.

RECOMMENDATION

Port Staff recommends that the Commission adoption of the attached draft Resolution authorizing staff to issue a Request for Proposals to procure the services of an Architectural Historian to prepare a Northern Waterfront Maritime Historic District nomination to the National Register (Attachment C – Resolution 01-46).

Prepared by Byron Rhett
Director, Planning & Development Division

Attachments

A. Resolution 00-16
B. Roster of Preservation Experts
C. Resolution 01-46

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 00-16

WHEREAS, the Waterfront Land Use Plan and its Design & Access Element ("Waterfront Plan") include goals and policies for historic preservation, identify the most significant historic resources, and call for additional studies and for nominating significant resources to the National Register of Historic Places ("National Register"); and

WHEREAS; The December 1996 Concept Agreement signed by the Port Executive Director, the Director of the San Francisco Bay and Conservation Commission (BCDC), and by Save The Bay staff called for adopting a plan for historic resource protection before approving any action that would adversely affect such resources, and the later December 1999 "Framework Agreement" called for including an element of the BCDC Special Area Plan that addressed historic preservation needs consistent with the public benefits package; and

WHEREAS; the Port in 1996 contracted with Architectural Resources Group, Inc., to prepare the *Port of San Francisco Historic Resources Data Base*, which incorporated the findings of several prior archaeological, cultural and historic studies along the waterfront, and in 1998, San Francisco Architectural Heritage published *San Francisco's Northeast Waterfront—An Inventory and Analysis of Historic Resources*, which built upon the prior works and provided a greater level of analysis for the piers north of the Ferry Building; and

WHEREAS; the Port has commissioned historical resource reports for the Ferry Building, Pier 1, Pier 27-29-31 and Pier 45 Shed A, which provide additional information on these specific facilities while providing better knowledge of the overall context for development of the northeastern waterfront's historic piers; and

WHEREAS; Port staff have worked with the State Office of Historic Preservation and local preservation and waterfront constituencies in reviewing these and other materials to identify the Port's most significant historic waterfront resources in the Northern Waterfront between Pier 45 and China Basin, along with options for their preservation; and

WHEREAS; four Port buildings, the Ferry Building, Agriculture Building, Beltline Roundhouse and Pier 1, are already individually listed on the National Register, and the Seawall between Taylor and Berry Streets, the Pier 22 ½ Firehouse and the Pier 38 bulkhead have been determined to be eligible; and

WHEREAS; the California State Historical Commission, in recommending that Pier 1 be listed on the National Register, also urged the Port to submit a nomination for the adjoining Piers 1½, 3 and 5 as an Historic District, and other piers are considered within the historic preservation community to be equally deserving; and

WHEREAS; creating a National Register Historic District gives national recognition to structures, while also offering the Port other benefits including: the opportunity to qualify for 20% historic preservation tax credits; utilization of BCDC regulations allowing fill necessary to the welfare of the public to protect historic structures without invoking the water-oriented use and replacement fill policies of BCDC's Bay jurisdiction; State Lands Commission recognition that National Register-listed developments attract the general public and thereby promote public trust objectives; and the potential economic benefits associated with "Heritage Tourism" for the Port's preeminent collection of City Beautiful-inspired waterfront structures; and

WHEREAS, the historic preservation professionals with whom the Port has been initially consulting believe many of the Port's facilities may warrant inclusion within a National Register Historic District, and staff of the State Office of Historic Preservation concur and have agreed to help Port staff refine these recommendations and set the boundaries for an Historic District; now, therefore, be it

RESOLVED, that the Port Commission hereby authorizes staff to prepare materials to nominate a Northern Waterfront Maritime Historic District, between Pier 45 and China Basin, to the National Register of Historic Places; and be it further

RESOLVED, that staff will return to the Commission to seek authorization to submit the nomination materials and formally begin the process of creating the district.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of February 22, 2000.

Mildred Thomas
Secretary

Roster of Preservation Experts

Charles Chase
Executive Director
San Francisco Architectural Heritage
2007 Franklin Street
San Francisco, CA 94109
(415) 441-3000 X 815 FAX: 441-3015
E – Mail: cechase@sfheritage.org

Bruce Judd (Bridget Maley)
Architectural Resources Group
Pier 9 The Embarcadero
San Francisco, CA 94111

(415) 421-1680 X 211 FAX: 421-0127
E –Mail: bridget@argsf.com

Tim Kelley
President
San Francisco Landmarks Preservation Advisory Board
4104 24th Street, No.120
San Francisco, CA 94114
(415) 337-5824 FAX: 337-5824
E – Mail:

Chris Ver Planck
Page & Turnbull
724 Pine Street
San Francisco, CA 94108
(415) 362-5154 FAX: 362-5560
E –Mail: verplanck@page-turnbull.com

Gee Gee Platt
G. Bland Platt Associates
362 Ewing Terrace
San Francisco, CA 94118
(415) 922-3579 FAX: 922-7248
E – Mail:

Alice Carey
Carey & Co. Architecture
Old Engine Co. No. 2
460 Bush Street
San Francisco, CA 94108
(415) 773-0773 FAX: 773-1773
E – Mail: acarey@careysf.com

Joe LaClair
Senior Planner
Bay Conservation Development Commission
50 California Street, Suite 2600
San Francisco, CA 94111
(415) 352-3656 FAX: 352-3606
E – Mail: joel@bcdc.ca.gov

Michael Corbett
2054 University Avenue Room 505
Berkeley, CA 94704
(510) 548-4123 FAX: 981-9960
E – Mail: mrcorbett@yahoo.com

Nancy Shanahan
Land and Water Conservation
522 Filbert Street
San Francisco, CA 94133
(415) 986-7070
E – Mail: nshan@sirius.com

Neil Hart (Mary Hashemi)
Preservation Coordinator
Neighborhood Planning Division
San Francisco Planning Department
1660 Mission Street, 5th Floor
San Francisco, CA 94103
(415) 558-6338
E- Mail: neil_hart@ci.sf.ca.us

Stuart Morton
Russian Hill Improvement Association
P.O. Box 641225
San Francisco, CA 94164

Nan Roth
Telegraph Hill Dwellers
1436 Kearny Street
San Francisco, CA 94133

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-46

WHEREAS, The proposal to create a Northern Waterfront National Register Historic District is the result of community planning efforts over the past two years as part of the BCDC, Port and Save the Bay's process to amend the BCDC and Port plans for the San Francisco Waterfront; and

WHEREAS, On February 18, 2000 the Port Commission authorized staff to prepare materials to nominate a Northern Waterfront Historic District, Pier 45 to China Basin, to the National Register of Historic Places by the adoption of Resolution No. 00-16; and

WHEREAS, On July 20, 2000 BCDC and the Port Commission approved amendments to plans for the San Francisco Waterfront to establish a consistent set of policies. The plan amendments committed the Port to prepare and submit a Northern Waterfront Historic District, Pier 45 to China Basin, nomination to the National Register of Historic Places to the State Office of Historic Preservation, by June 30, 2002; and

WHEREAS, On February 28, 2001 the Port consulted with a group of preservation experts who advised that an Architectural Historian be retained to prepare the district nomination based on the staff's draft project scope of work. Additionally, these preservation experts advised that it would be appropriate for Port staff to prepare an accompanying set of historic district Design Criteria to provide guidance on appropriate alterations and treatments for adaptive reuse projects within the proposed district; and

WHEREAS, On March 30, 2001 staff met with a representative of the State Office of Historic Preservation who also recommended that the Port retain the services of an Architectural Historian to prepare the nomination and stated that this would facilitate the expeditious completion of the nomination process; and

WHEREAS, After consideration of the comments of the preservation experts, in recognition of the need to secure Federal Rehabilitation Tax Credits for Port adaptive reuse projects, and in light of the recommendations of OHP, staff believes it appropriate and prudent to seek consultant assistance to prepare the historic district nomination; and

WHEREAS, After evaluation of the responses received as a result of the issuance of a Request for Proposals staff would return to the Commission for authorization to select the preferred consultant and to execute a contract for their services; now therefore be it

RESOLVED, that the Port Commission hereby authorizes staff to issue a Request for Proposals to procure the services of an Architectural Historian to prepare a Northern Waterfront Maritime Historic District nomination to the National Register; and be it further

RESOLVED, that staff will return to the Port Commission to seek authorization to select a preferred consultant and to execute a contract for their services.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 12, 2001.

_____

Secretary

SF
P55
.3
6/12/01
c.2

SAN FRANCISCO
PORT COMMISSION

JUNE 12, 2001
MINUTES OF THE REGULAR MEETING

DOCUMENTS DEPT.

JUN 2 2 2001

SAN FRANCISCO
PUBLIC LIBRARY

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE REGULAR MEETING
JUNE 12, 2001

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 4:05 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee.

2. APPROVAL OF MINUTES - May 22, 2001 Regular Meeting

Commissioner McWilliams made minor changes to page 11 of the minutes of the meeting.

ACTION: Commissioner Hardeman moved approval as amended; Commissioner Lee seconded the motion. All of the Commissioners were in favor; the minutes of the May 22, 2001 meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Wong reported the following:

- Hyde Street Harbor Opening
  On June 9th, the Port celebrated along with members of the community, Senator John Burton and Mayor Brown, the opening of the Hyde St. Commercial Fishing Harbor. The $7 million dollar project opened to rave reviews providing much needed berthing for the City's commercial fishing fleet. The new 62-berth harbor is the first ADA accessible commercial fishing facility in the nation. The harbor was constructed and will be managed with the environment in mind. The harbor was just awarded the Marine Environmental Education Foundation award for outstanding efforts towards promoting clean boating and practices. He thanked Renee Dunn and Imani Haygood for planning Saturday's festivities.

B. Commendation for three Maintenance Employees on their retirement: Harold Poulsen, John Miller and Larry Bean.

Mr. Wong thanked Larry Bean, Harold "Red" Poulsen and John Miller for their years of service at the Port.

Commissioner Brandon also thanked Harold, John and Larry for their years of service and dedication to the Port.

Commissioner Brandon commented that the Hyde Street Harbor Grand Opening turned out well and a good time was had by all. She thanked everyone involved in making the event a success.

Commissioner Lee asked about the replacements for the three retiring employees. Kathy Mallegni, HR Manager, replied that the examination announcements for the three positions were issued. Applications are due within a couple of weeks and the examination will be administered thereafter. The new employees should be on board in mid-July.

Commissioner Lee asked why the job announcement was not released in April since staff already knew that the employees were retiring in June. The employees are needed to inspect the piers. Ms. Mallegni replied that staff learned on May 15 about the employees pending retirement. Staff started working on the exam right away and prepared a job analysis. Staff moved as quickly as possible.

4. MARITIME

A. Request for approval of CEQA Findings for the Bode Gravel Company and Mission Valley Rock Maritime Industrial Lease as analyzed in the Southern Waterfront Program Supplemental EIR which supplements the Waterfront Land Use Plan Final Program EIR. (Resolution No. 01-44)

Peter Dailey, Maritime Director, Bode Gravel Company (Bode) is a family-owned business, which has operated concrete ready-mix facilities within the City of San Francisco since 1915. Bode currently operates a concrete ready-mix facility at Third and Sixteenth Streets, which is within the boundaries of the Catellus Mission Bay development project. Bode is anticipating relocation from this site in the near future, since the proposed Mission Bay development does not include this use.

Bode is interested in remaining in San Francisco because of numerous local construction projects such as the Mission Bay Development projects, UCSF Campus Facility, Downtown Ferry Terminal, Third Street Light Rail Extension, the Caltrans Bay Bridge and other seismic retrofits, all of which will require the services of a concrete ready-mix facility. Bode has proposed a lease for a site at Wharf 92, which currently is under lease to Mission Valley Rock (MVR) This is in accord with the Port Maritime staff's Marketing Plan, which identifies bulk building materials such as cement, sand, gravel and other aggregate products as targeted cargo for maritime revenue generation.

MVR currently operates a marine dry bulk cargo terminal, which receives sand and aggregate materials by barge. These aggregate products are used in the production of concrete. The close proximity to this dry bulk terminal has been the key attraction to Bode in proposing its relocation to this area.

As a result, Bode / MVR propose to become joint venture partners for the purposes of operating a marine dry bulk cargo terminal and concrete ready-mix plant. They propose to handle and store cement and aggregate products from ships, barges, trucks and trains to support the operation of a concrete ready-mix plant. Bode / MVR may

also deliver cement to the site by rail, thus re-activating regular rail service to the facility. The proposed ready-mix plant will mix the cement and aggregate materials to produce ready-mix concrete. The ready–mix concrete would then be transported by truck to local job sites.

Diane Oshima, Assistant Deputy Director of Planning & Development, reminded the Commission of the Southern Waterfront Supplemental EIR certified by the Planning Commission which analyzed the Bode Mission/MVR lease, amongst other proposed leases and Port improvement projects as well as also took into account potential other development that occur on or off Port property. Before the Commission could approve any lease that was analyzed in the EIR, the Commission have to make certain findings under the requirements of the CEQA. The CEQA documents included in the staff report lays out the pertinent information that came from the SEIR. The SEIR lays out all the mitigation measures and states its disposition. Also included in the staff report is a mitigation, monitoring and reporting program which is required under CEQA to ensure that there is an identifiable way in which the required mitigation measures as part of the approval of the lease are actually implemented and stating where in the process that take place. She noted that all of the mitigation measures that were applicable to the Bode/MVR lease have been incorporated as conditions of approval. Additional provisions were incorporated in the lease whereby the tenant must be as responsive as possible to the community and at the Commission's direction to ensure that the new leases incorporate state-of-the-art mitigation measures. Carol Bach hired a team of consultants to produce a master stormwater plan for the Southern Waterfront from Pier 70 to 96. It would be the template that would guide the stormwater treatment and practices that are required of existing and new tenancies. The EIR has certain requirements for stormwater treatment that Bode has agreed to. To the extent that the master stormwater plan comes up with additional requirements that exceed what regulatory agencies would otherwise require of Bode/MVR, Bode/MVR has also agreed under their lease that they would comply with whatever those future requirements would be.

Commissioner Brandon asked who from Port staff is responsible for monitoring the mitigation measures. Ms. Oshima replied that it would depend on what type of work is required. The Engineering staff would be overseeing the building permit process. The Property Managers would be requiring monthly monitoring reports such as actual volumes of concrete produced. The Planning and Development division would play a service role in helping to monitor the concrete production levels. Each tenant would be required to submit monthly reports to the Property Manager. They will be collectively reviewed and reported to the Commission periodically.

Commissioner Brandon asked if everyone would be working with the same property manager and whether that property manager would be responsible for monitoring everything. Ms. Oshima replied that a property manager is assigned to the southern waterfront area. The tenants are responsible for submitting the reports on a timely basis and the property manager would be involved in ensuring that the tenant is submitting the material as required under their lease.

Commissioner Brandon asked who from Port staff is responsible in making sure that the tenants' reports are correct. The Commission had previously requested to have a

staff person or a consultant responsible for actively managing the mitigation measures that will be put in place. Ms. Oshima replied that Carol Bach's group would be responsible with the dust monitoring program and stormwater monitoring program. However, staff has not quite figured out whether to hire a consultant for the Port or whether to ask the tenants to hire consultants that would report to the Port's environmental staff. There are mitigation measures for dust control in the EIR that are imposed on Bode/MVR. They would be monitored by a third party to ensure that they are keeping the street swept and watering the piles of aggregate at certain number of times per day and reporting periodically.

Commissioner McCarthy asked if the property manager is responsible in ensuring that the monthly reports are submitted in a timely fashion. Ms. Oshima replied that the property manager would be the line person to receive the reports. This is, however, a new requirement that is unprecedented and it warrants an interdivisional approach to make sure that key point people are identified that would be involved to anticipate and deal with whatever issues might arise.

Commissioner McCarthy indicated that since Bode/MVR would be the first company approved for this operation, they could be a model for other companies and they could set a standard for others to follow. No one would have an excuse of not being able to do it because if Bode/MVR could do it, the rest of the companies could do it too.

Mr. Dailey indicated that the tenants submit documentation to the Port on a monthly basis regarding their marine activity. Port staff will audit those reports to ensure they're accurate. Mr. Dailey commended Dan Boardman and his company for being a fine exemplary Port tenant.

Ms. Oshima echoed Mr. Dailey's comments. Mr. Boardman has indeed set a real standard in terms of being out in the community making sure everyone knows what he will do. He is a model for the tenants.

Commissioner McWilliams commented that a lot of work has gone into this process and it's going to set the stage for the transition of this industry to the waterfront. The Commission's instructions to staff were based on the idea that this is going to happen in a smooth and rational way. He realistically expected a smooth transition in this process and believed that the labor agreements were going to be in place. The SWAC voted in favor of this project with the understanding that the labor agreements were forthcoming. He was surprised to hear that the labor agreements were not in place at the final hour when everyone expected that they would be. He asked about the status of the labor agreements and whether it would impact other projects or situations at the Port.

Mr. Dan Boardman, Bode Gravel Company, replied that the labor issues were surprisingly one of the more difficult matters they have to deal with. He met with Henry Graham and Bobby Guillory of ILWU and has gone over their operation in the new site. They would understandably like to have some positions in their new plant but they are currently covered by an existing labor agreement. There didn't seem to be any avenue other than the other union willingly giving up jurisdiction to allow the longshoremen to assert jurisdiction that could settle this matter and allow them to sign

a contract with the longshoremen. It was his understanding that the longshoremen were preparing an agreement for them to sign that would cover any future expansion that Bode Gravel may or may not do in the future, which was an acceptable compromise to some of the longshoremen. That agreement would be forwarded to his attorney for review and he expects that it would be signed. Although he was cognizant of the fact that longshoremen have to commute to the East Bay for jobs and would rather have job opportunities in the City, he has been advised by his legal counsel that in no uncertain terms he could sign one labor agreement that conflicts with one they already have in place.

Commissioner Brandon thanked Peter Dailey and his staff, Mark Lozovoy, and Diane Oshima for their tireless efforts on this project. She also thanked Dan Boardman for being an outstanding corporate neighbor, even before he moved into the community. He has attended every meeting, every event and hired people from the community. Bode/MVR would set the standards for everyone to follow. She was optimistic that the labor issues would be worked yet.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. Four of the Commissioners were in favor; Commissioner McWilliams cast the dissenting vote. Resolution No. 01-44 was adopted.

B. Request for approval of Maritime Industrial Lease with Bode Gravel Company and Mission Valley Rock for space at Pier 92 for use as a maritime bulk cargo terminal and concrete ready-mix facility. (Resolution No. 01-45)

Mark Lozovoy, Assistant Deputy Director of Real Estate, presented the basic terms and conditions of the lease with Bode and Mission Valley Rock Company for premises located at Pier 92, as outlined in the staff report.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. Four of the Commissioners were in favor; Commissioner McWilliams cast the dissenting vote. Resolution No. 01-45 was adopted.

Commissioner Brandon indicated that there seems to be ongoing union-related issues on Port properties. Three of the five Commissioners are not affiliated with the unions and are not familiar with jurisdictional issues. Since there are other upcoming leases similar to Bode that are scheduled for Commission's approval, she requested that Peter Dailey and representatives from the unions explain to the Commission the issues related to the leases. Commissioner McWilliams offered to facilitate the meeting with representation from the community, union and Port staff. Commissioner Brandon suggested that an item regarding this matter be placed on the Port Commission agenda for the next meeting or within the next month. Commissioner Brandon appointed Commissioners McWilliams and Hardeman to a subcommittee responsible for bringing this item back to the Commission for presentation.

C. Request for approval of the First Amendment to Pacific Marine Yachts Charters, LLC Lease No. L-12938. (Resolution No. 01-43)

Jill Simpson, Maritime Marketing Manager, presented the item as outlined in the staff

report and requested Commission's approval.

ACTION: Commissioner Lee moved approval; Commissioner McWilliams seconded the motion. All of the Commissioners were in favor. Resolution No. 01-43 was adopted.

5. PLANNING & DEVELOPMENT

A. Request for authorization to issue a Request for Proposals to solicit Consultant Services for the preparation of a Northern Waterfront historic district nomination to the National Register of Historic Places. (Resolution No. 01-46)

Diane Oshima, Assistant Director of Planning & Development, presented the item as outlined in the staff report and requested Commission's approval. Ms. Oshima noted that the RFP will not be issued on June 15th as originally planned; it will be issued at a later time.

Mark Paez, Planning & Development, indicated that a panel of preservation experts were very generous with their time in providing staff with guidance. In addition to the recommendation, they endorsed the Port's work plan and staff will use that as a basis for the RFP. Port staff presented the idea of preparing a set of design criteria that could be amended into the design and access element of the Waterfront Land Use Plan. The design criteria would help to guide the Port's adoptive reuse projects. The preservation endorsed an in-house support effort as opposed to contracting out. Port staff received feedback from BCDC who commended staff for pursuing this effort and suggested that this item be presented at the next joint Port Commission/BCDC meeting.

Charles Chase, Executive Director of SF Architectural Heritage, urged the Commission to pass this item. He congratulated Port staff in working with the community to develop this proposal. The consultant would provide an objective opportunity to assess the resources the Port has and meet the Port's mandated requirements as well as the BCDC/Port agreement. He believed that the proposal would lay out the groundwork for better incentives for the development community to appropriately use Port resources along the waterfront. It would also provide an even basis for the assessment of those that are non-contributing. He was particularly pleased with the fact that the design criteria would be done by Port staff. It would be an appropriate measure to integrate both the compilation, review and objective of all the Port has done over the years to make this a successful National Register Nomination.

Nan Roth, on behalf of Telegraph Hill Dwellers, indicated that they have long supported the National Register nomination for the Northern Waterfront. They welcome this long-awaited RFP to retain consultants to prepare the nomination and urged the Commission to approve the issuance of the RFP.

Tim Kelly, President of SF Landmarks Board and a professional historic resources consultant, applauded the creation of the Historic District on the waterfront. San Francisco waterfront is a civic treasure that must be preserved and taking the step to make tax credit available is a wise idea. He urged the Commission to ensure that as the project moves forward, it does not take the neutron bomb approach to preservation. He

urged the Commission to go on record requiring that the Northern Waterfront Historic District nomination gives proper consideration to the social history of the San Francisco waterfront, particularly to the labor history of the area. The Commission should require that the nomination include context statements for labor history, immigration history and the shipping industry at the very least. This should have no significant effect on the time schedule or the cost of the consultant work. It will accomplish a tremendously increased public support for the project and provide a richer basis for tourism marketing in the area. People identify with social history strongly. It would meet a moral obligation to those workers who gave life and shaped the history of this area. He suggested the following changes to the second to last paragraph of the proposed resolution: (1) change the term architectural historian to historic resources consultant and (2) after the words National Register, insert the phrase ... to include context statements on the labor history of the area and other pertinent aspect of its social history. The second to the last paragraph would then read... "Resolved, that the Port Commission hereby authorizes staff to issue a Request for Proposals to procure the services of a historic resources consultant to prepare a Northern Waterfront Maritime Historic District Nomination to the National Register, to include context statements on the labor history of the area and any other pertinent aspect of its social history; and be it further..."

Mark Paez indicated that staff met with representatives from the State Office of Historic Preservation regarding the preparation of the historic nomination in the most expeditious manner but not leaving out important topics. They indicated that it is most critical to get it registered right away in order to provide and facilitate tax credits for Port projects. If it were such that the information supported a nomination based on one criteria as opposed to meeting multiple criteria, Mr. Paez suggested not to delay the nomination to do additional research unless it is done quickly but to leave open the possibility of supplementing and amending the nomination satisfying the additional criteria. Staff would like to have that flexibility and allow the consultant to provide the Port with their recommendation on how to move forward with the nomination.

Archie Green indicated that 60 years ago, he began working in the boat shop on the waterfront, which was run by the State Board of Harbor Commissioners rather than the City. Almost every boat builder, longshoremen, seamen were foreign born. All of the workers came to San Francisco to contribute with their muscle and energy to establish this as a world port. The workers did not have cars in those days and most of them lived within walking distance of the Embarcadero along Steuart Street which was then called Finn Alley because so many Finnish, Russian Finns, Scandinavians lived there. The Italians lived along the planks of Telegraph Hill, long before it was an upscale neighbor. He has seen our trade, our union, our churches and our transportation system disappear. Every time he rides along the waterfront, he meets tourists from all over the world. They have no conception of this port where people labored. Mr. Kelly asked to broaden the concept of preservation to include the social history of the immigrants and the citizens and their fight for citizenship. The fight to take the Port away from Sacramento and establish it as a San Francisco entity with power in the City was a political fight involving people with very little experience. The Levis warehouse used to be ice storage warehouses. The ice used to come from the Sierras; workers cut the ice by hand with huge saws, packed it in the trains, brought it to the waterfront, stored in the winter and melted in the summer. The icemen would work all

over again. There isn't a single memory of warehouse in which ice was stored. The human cost in storing the ice is the kind of story that we have to tell. The Port Commission has the wonderful opportunity to blend history, architecture, the physical and social environment and teach the rest of the country including the preservation community in Washington how to do it.

Commissioner McWilliams indicated that he sees no impediment in establishing a National Historic Register by including the social fabric of the region. It is one of the most well documented histories in the country. In 1934, there was a strike that shaped the labor environment and the whole country. Beyond that, the Minnesota teamster strike was the only thing close to it in our history. It would be a wonderful opportunity to provide an exciting, educational and appropriate historical notation of what really happened on the waterfront and how it ties all the architectural structures together. This would facilitate the project and it needs to be done now.

Commissioner McCarthy asked about the cost of the project and who would the possible respondents be. Mr. Paez replied that the cost is in the $50,000 range, depending on how much time the consultant needs for additional research and whether they would be coordinating other development projects and performing outreach work. The budget would be divided into two parts: (1) time and material budget for presentations and (2) budget for preparing the nomination. Commissioner McCarthy was concerned about the cost since there is a lot of work that needs to be done by the consultant. Staff needs to clearly define how much time has to be spent on researching Port drawings and photos since it would be time consuming. Mr. Paez indicated that staff would be performing a lot of the legwork to assist the consultant.

Commissioner McCarthy concurred with Commissioner McWilliams' comments regarding the inclusion of the social history of the waterfront. She asked about the National Register Criteria. Mr. Paez replied that the consultant would provide their recommendation on which criteria would be the strongest criteria for nomination. Staff would prepare the document accordingly and submit it to the State. If it is returned with a recommendation to sufficiently detail the labor history or social movement of the area, staff would do more research and study the criteria further, keeping in mind the budget.

Commissioner McCarthy indicated that it would seem almost impossible that they would return the document on that basis. There should be some flexibility but at the same time the social history should be included. Staff should give more thought or flexibility on the budget; it would be money well spent. Mr. Paez indicated that $50,000 was the best estimate provided by the experts to staff. The consultant could provide a nomination that would succeed with the State and the National Park Service for that amount of money but staff would do a fair share of the work.

Commissioner Lee asked about the restrictions to develop a landmark facility. Mr. Paez replied that the northern waterfront is already recognized as an eligible historic district. Formalizing it by actually submitting the nomination does not come with any new restrictions unless a developer would seek the tax credit. If a developer chooses not to apply for the tax credit on an adopted reuse project, there is no involvement from the State. The only implication would be the environmental review, which

already exists for the eligible district.

Commissioner Lee was concerned about the restrictions on City property designated as landmarks because a developer might lose interest if they have to go through a lot of process to get a development project underway, which would be a loss of revenue to the Port. Mr. Paez replied that this process is different from the local landmark process. In the local process, a developer is required to go through the Planning Department for projects involving exterior alteration and demolition. There would be a public hearing process. The nomination of the northern waterfront as a historic district is through the National Register. It does not require permit review by the local government. It would be beneficial to the developer to comply with the Secretary of the Interior Standards so that they could seek tax credit for an adoptive reuse project

Commissioner Hardeman indicated that the comments made by the speakers were valid. He supports the inclusion of the social history aspect into the resolution. However to expedite the nomination, he suggested not to hold up the process since there will be other opportunities for the Commission and the public to amend or comment on the project. Staff should take into consideration the Commission's position in getting the social fabric incorporated into the final process. Mr. Paez concurred with Commissioner Hardeman's comments and added that the resolution authorizes staff to prepare and issue the RFP. Staff would be seeking further comments from the Commission and consultants as they move forward with the project.

Commissioner McWilliams read the proposed amended resolution: "Resolved, that the Port Commission hereby authorize staff to issue a Request for Proposals to procure the services of a historic resources consultant to prepare a Northern Waterfront Maritime Historic District nomination to the National Register to include context statements on the labor history of the area and any other pertinent aspect of its social history."

Commissioner Lee asked if the developer does not want to take advantage of the tax credit, they don't have to use the name of the landmark. Mr. Paez replied that the piers are already eligible for the National Register. If staff is successful in securing the piers listed on the National Register, the developer would still have to deal with the Commission whether or not they use the tax credit. If they don't want it, they don't have to do it. Commissioner Lee asked if that language was included in the resolution. Mr. Paez replied that language does not belong on this resolution. It would be included in the project's specific documentation that would be approved by the Commission.

Commissioner Brandon reiterated that the specific language Commissioner Lee was referring to does not relate to this project. It would be up to the developer if they would like to take advantage of the tax credit or not. Commissioner McCarthy explained that the resolution is authorizing staff to hire a consultant.

Commissioner Lee asked what areas of the waterfront are included in the Northern Waterfront District. Mr. Paez replied that the areas included are from Pier 45 to China Basin. Staff has subsequently met and discussed with the State Historic Preservation the inclusion of Pier 48. The consultant will study the geographic area and make its recommendation.

Commissioner McWilliams indicated that there was another issue of relevant historic status south of Pier 48. The Commission discussed expanding it to make it a second district. The consultant might want to include this in their study and make its recommendation as well. Mr. Paez indicated that they talked about the concept of whether to make it one continuous district or contiguous segments of a larger district. The State Office of Historic Resources recommended a contiguous district. Pier 48 may be eligible on their own and should be treated outside of the district. This will all be included in the study process and the options presented to the Commission.

Commissioner Brandon mentioned that Commissioner McWilliams was referring to Pier 70 and other historical structures that could be included. Mr. Paez replied that staff's approach is to look at Pier 70 since it has a different period of significance and it would be appropriately handled as a separate district.

To address Commission Lee's concern, Commissioner Hardeman mentioned that the nomination of the northern waterfront as a historic district would not affect the Pier 27-31 development. It is an example of a development project that would not held up because of its historic district status.

Commissioner Lee asked if there are any restrictions to the developer in developing a landmark facility. Mr. Paez replied that if a developer would like to take advantage of the 20% tax credit, the restrictions would be to comply with the Secretary of Interior Standards. The developer has to maintain the historic fabric of the structure but they can modify the use to accommodate new needs. Mr. Paez offered to meet with Commissioner Lee to address his concerns.

ACTION: Commissioner McCarthy moved approval as amended; Commissioner McCarthy seconded the motion. Four of the Commissioners were in favor; Commissioner Lee cast the dissenting vote. Resolution No. 01-46 was adopted.

6. NEW BUSINESS / PUBLIC COMMENT

7.

Ernestine Weiss complimented the Port on a job well done at Pier 41. She congratulated the Port for the successful celebration of the Hyde Street Harbor grand opening. The San Francisco Marina Harbor Tenants Association is doing a similar project but is having problems with regard to the breakwater. She will encourage the association to take a look at the Hyde Street Harbor project.

Commissioner Lee requested that an item be placed on the next Commission agenda concerning setting a policy regarding regular inspection of the piers. He asked that Alex Lee meet with him to discuss his concerns and establish the policy. Commissioner Brandon suggested that he meet with Alex Lee and report back to the Commission.

7. EXECUTIVE SESSION

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

At 5:25 p.m., the Commission withdrew to executive session to discuss the following:

(1) Discussion of Executive Director's Compensation for Fiscal Year 2001/2002.

(2) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTERS (DISCUSSION ITEMS):

a. Discuss existing litigation matters pursuant to subdivisions (a) and (d) of the California Government Code Section 54956.9 (2 cases).

- F. Alioto Co. v. CCSF; Superior Court Case No. 318360.
- CCSF v. Commonwealth Ins. Co. et al Santa Clara Superior Court No. CV 794046.

(3) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Pier 30/32 and SWL 330
Person Negotiating: Port: Byron Rhett, Director of Planning & Development
*San Francisco Cruise Terminal LLC: Glen Elkington

b. Property: Piers 70
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Waste Resources Technologies:. Jack Isolo

c. Property: Pier 45, Shed B-1 and Wharf J-3
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Alioto's Restaurant: Nunzio Alioto
*Nick's Lighthouse: Jeffrey Pollock
*Sabella & Latorre: Frank Sabella
*The Crab House: Francis Chu

d. Property: 1201 Illinois Street, between Humboldt and 23rd Streets
Person Negotiating: Port: Byron Rhett, Director of Planning & Development and Mark Lozovoy, Asst. Deputy Director of Real Estate
*Potrero Power Plant (Mirant Americas Development, Inc.): Mark Harrer

e. Property: Piers 27-31
Person Negotiating: Port: Byron Rhett, Planning & Development Director
*The Mills Corporation: Edward B. Vinson

f. Property: South Beach Harbor
Person Negotiating: Port: Byron Rhett, Planning & Development Director
*S.F. Redevelopment Agency: Jim Morales, Director

8. RECONVENE IN OPEN SESSION

At 7:50 p.m., the Commission reconvened in open session.

ACTION: Commissioner Hardeman moved approval to not disclose any information discussed in executive session; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 7:50 p.m.

SAN FRANCISCO
PORT COMMISSION

06-22-01P01:05 RCVD

DOCUMENTS DEPT.

JUN 2 2 2001 Fax 6/21/01

SAN FRANCISCO
PUBLIC LIBRARY

REGULAR MEETING
4:00 P.M., TUESDAY, JUNE 26, 2001
BAYSIDE CONFERENCE ROOM
PIER 1, S.F. 94111

AGENDA

1. **ROLL CALL**

2. **APPROVAL OF MINUTES** - June 12, 2001 Regular Meeting

3. **EXECUTIVE**

   A. Executive Director's Report
   - Harry Bridges 100th Anniversary Parade and Plaza Dedication Ceremony on July 28, 2001.
   - Fourth of July Celebration at Fisherman's Wharf.

4. **OPERATIONS**

   A. Request for approval of Executive Director's Compensation for Fiscal Year 2001-2002. (Resolution No. 01-47) (Staff report provided to the Commission.)

   B. Request authorization to execute Contract Modification No. 1 to Contract No. 2659, "Pier 98 Landscaping and Trail Construction," with San Francisco Urban League of Gardeners. (Resolution No. 01-48) (Staff report provided to the Commission.)

5. **MARITIME**

   A. Request for approval of CEQA findings for the Pacific Cement Company Maritime Industrial Lease at Pier 92 (SWL 352) as analyzed in the Southern Waterfront Program Supplemental EIR which supplements the Waterfront Land Use Plan Final Program EIR. (Resolution No. 01-49) (Staff report provided to the Commission.)

   B. Request for approval of Maritime Industrial Lease with Pacific Cement Company for space at Pier 92 (SWL Lot 352) for use as a maritime bulk cargo terminal and concrete ready-mix facility. (Resolution No. 01-50) (Staff report provided to the Commission.)

   NOTE: The environmental impacts of the proposed lease were addressed in the Waterfront Land Use Plan Program Final Environmental Impact Report (FEIR), certified on January 9, 1997, and the Southern Waterfront Program Supplemental EIR. certified on February 15, 2001, pursuant to the California Environmental Quality Act (CEQA).

C. Request approval to amend Lease No. L-12120 between the Port and Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc., a California corporation, jointly and severally for property located at Pier 38 to allow permanent in-water berthing as a permitted use and to revise the site plan. (Resolution No. 01-51) (Staff report provided to the Commission.)

6. REAL ESTATE

A. Request for approval on a one-time basis to extend by three hours the 11:00 p.m. curfew for a special event using amplified sound to be held on August 11, 2001 at Seawall Lot 337, located between Third Street, Terry Francois Boulevard, and Mission Rock Street. (Resolution No. 01-52) (Staff report provided to the Commission.)

7. PLANNING & DEVELOPMENT

A. Informational Presentation on the Status of Planning & Development Projects. (Staff report provided to the Commission.)

8. ENGINEERING & MAINTENANCE

A. Informational Presentation on the Status of Engineering & Maintenance Projects. (Staff report provided to the Commission.)

9. NEW BUSINESS / PUBLIC COMMENT

Public comment is permitted on any matter within Port jurisdiction and is not limited to agenda items. Public comment on non-agenda items may be raised during New Business/Public Comment. It is strongly recommended that public comments be submitted in writing so they can be distributed to all Commissioners for review. Please fill out a speaker card and hand it to the Commission Secretary. If you have any question regarding the agenda, please contact the Commission Secretary at 274-0406.

10. EXECUTIVE SESSION

A. Vote on whether to hold closed session to confer with Legal Counsel and Real Property Negotiator.

B. CLOSED SESSION

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTER (DISCUSSION ITEM):

a. Discuss existing litigation matters pursuant to subdivisions (a) and (d) of the California Government Code Section 54956.9 (1 case).

- F. Alioto Co. v. CCSF; Superior Court Case No. 318360.

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Pier 30/32 and SWL 330
Person Negotiating: Port: Byron Rhett, Director of Planning & Development
*San Francisco Cruise Terminal LLC: Glen Elkington

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 30/32 & SWL 330.

b. Property: Pier 45, Shed B-1 and Wharf J-3
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Alioto's Restaurant: Nunzio Alioto *Nick's Lighthouse: Jeffrey Pollock
*Sabella & Latorre: Frank Sabella *The Crab House: Francis Chu

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to give direction to staff regarding real estate negotiations for Port property located at Pier 45, Shed B-1 and Wharf J-3.

c. Property: Pier 7-½
Person Negotiating: Port: Theresa Picon, Director of Real Estate
*Waterfront Restaurant: Al Falchi

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding Port property located at Pier 7-½.

d. Property: Rincon Park
Person Negotiating: Port: Byron Rhett, Director of Planning & Development
*Redevelopment Agency: Amy Neches

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to discuss real estate negotiations regarding the pending lease between the Port and Redevelopment Agency for Rincon Park.

e. Property: 601 Cesar Chavez Street
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Cliff's Barbecue & Seafood: Clifton Turner, Owner

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to give direction to staff regarding real estate negotiations regarding Port property located at 601 Cesar Chavez Street.

f. Property: Pier 80 & 90
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Municipal Railway: Kerstin Magary

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to give direction to staff regarding real estate negotiations regarding Port property located at Pier 80 and 90.

g. Property: Pier 70
Person Negotiating: Port: Byron Rhett, Director of Planning & Development

Under Negotiation: ___ Price ___ Terms of Payment X Both
An executive session has been calendared to give direction to staff regarding the evaluation of proposals submitted in response to the development RFPs for the mixed-use and arts sites at Pier 70.

11. RECONVENE IN OPEN SESSION

A. Possible report on actions taken in closed session pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

B. Vote in open session on whether to disclose any or all executive session discussions pursuant to Government Code 54957.1 and San Francisco Administrative Code 67.14.

12. ADJOURNMENT

Staff Reports: Explanatory Documents available to the public are posted on the Port's Website at www.sfport.com.

JUNE/JULY 2001

CALENDAR OF UPCOMING PORT MEETINGS - OPEN TO THE PUBLIC

Date	Time	Group	Location
June 26	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1
July 10	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1
July 11	11:30 p.m.	Maritime Commerce Advisory Committee	Bayside Conference Room @ Pier 1
June 24	4:00 p.m.	Port Commission	Bayside Conference Room @ Pier 1

NOTES:

The San Francisco Port Commission meets regularly on the 2nd and 4th Tuesday of the month at 4:00 p.m., unless otherwise noticed, in the Bayside Conference Room @ Pier 1. Contact Amy Quesada at 274-0406 to be placed on the mailing list for Commission meeting agenda. ***The Commission Agenda and the staff reports are also posted on the Port's Website @ www.sfport.com.***

The Ferry Building Waterfront Advisory Group does not have any scheduled meetings. Contact Person: Alec Bash @ 274-0539.

The Fisherman's Wharf Waterfront Advisory Group meets regularly on the 3rd Tuesday of the month. The regular meeting time and place is 9:00 a.m. at Scoma's Restaurant, Pier 47 at Fisherman's Wharf. Contact Person: Kirk Bennett @ 274-0545.

Please contact Jill Simpson @ 274-0519 for the Maritime Commerce Advisory Committee meeting schedule.

The Mission Bay CAC meets regularly on the 2nd Thursday of the month, from 5:00 to 7:00 p.m. at the Mission Bay Visitor Center (255 Channel Street). Please contact Tiffany Bohee at 749-2481 for more information.

The Northeast Waterfront Advisory Group meets regularly on the 1st Wednesday of the month at 4:00 p.m. in the Bayside Conference Room @ Pier 1. Contact Person: Kirk Bennett @ 274-0545.

The Pier 70 Advisory Group meets monthly on an as-needed basis generally on the 2nd Wednesday of the month from 4 to 6 p.m. at the Potrero Campus of the California College of Arts and Crafts, Board Room, 1111 – 8th Street between Irvin and Hooper. Contact Person: Mark Paez @ 705-8674.

The Rincon Point-South Beach CAC meets regularly on the 3rd Monday of the month, from 5:00-7:00 p.m. at the South Beach Yacht Club (Pier 40 on The Embarcadero). Please contact Tiffany Bohee at 749-2481 or 749-2400 for more information.

The Southern Waterfront Advisory Committee (SWAC) meets every 4th Monday of the month. Location to be determined. Contact Person: Braj Norris @ 274-0540.

The Waterfront Design Advisory Committee meets the 3rd Tuesday of the month from 11 a.m. to 1 p.m. in the Bayside Conference Room @ Pier 1. Contact Person: Dan Hodapp @ 274-0625.

Port Website: Check out the Port's Website at **www.sfport.com.**

ACCESSIBLE MEETING INFORMATION

Getting to Pier 1:

Pier 1 on the Embarcadero, at the foot of Washington St. The Embarcadero Station is the closest BART and MUNI Metro stop, located below Market St. at Drumm & Spear Streets. The nearest F-Line streetcar stop is on the Embarcadero at Washington St. MUNI bus lines serving the Pier 1 area are the 9, 31, 32 and 71. For more information about MUNI accessible services, call (415) 923-6142.

The nearest accessible parking is provided in the following off-street pay lots:

A) 1 space in the surface lot on the west side of the Embarcadero at Washington St.
B) 3 spaces in the Pier 1/2 lot, located on the east side of the Embarcadero between the Ferry Building and Pier 1. During business hours this lot is operated by valets
C) Hourly and valet parking in the Pier 3 lot. This lot is accessed through the Pier 3 bulkhead building entrance on the east side of the Embarcadero. This lot is located on the pier deck; adjacent to the ferry boat Santa Rosa.

Additional covered accessible off-street pay parking is available in the Golden Gateway Garage, which is bounded by Washington, Clay, Drumm and Battery Streets. Entrance is on Clay St. between Battery and Front Streets. There is no high-top van parking.

Metered street parking is available on the Embarcadero, Washington St. and Drumm St.

Pier 1:

The Port's fully accessible offices are in the west end of Pier 1. There are two public entrances; the main entrance on the west (Embarcadero), and the Port History walk entrance on the south apron. Each of these entrances is provided with an automatically operated door. Both entrances lead to the Commission Bayside meeting room. Accessible public restrooms, drinking fountains, payphone and TTY are on the first floor near the main entrance. The public spaces of the Port's offices are equipped with remote infrared signage (Talking Signs) identifying all primary entrances, paths of travel, meeting rooms and amenities. Accessible seating areas and assistive listening devices will be available in the Commission meeting room.

Accessible meeting information policy:

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

A sign language interpreter and alternative format copies of meeting agendas and other materials can be provided upon request made at least 72 hours in advance of any scheduled meeting. Contact Kevin Jensen, ADA Coordinator, at 274-0555. The Port's TTY number is (415) 274-0587.

Know Your Rights Under the Sunshine Ordinance. Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, please contact Donna Hall, Administrator at 554-7724; fax 554-5163; e-mail address Donna_Hall@ci.sf.ca.us; City Hall, Room 244, One Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4689. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Ordinance Task Force, the San Francisco Public Library and on the City's Website at www.ci.sf.ca.us/bdsupvrs/sunshine.

San Francisco Lobbyist Ordinance. Attention: Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance (SF Admin. Code 16.520 – 16.534) to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, #701, San Francisco, CA 94102, phone (415) 554-9510 or fax (415) 703-0121 and web site http://www.ci.sf.ca.us/ethics/.

PORT OF SAN FRANCISCO

MEMORANDUM

June 20, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of 2001-2002 Executive Director Salary

DIRECTOR'S RECOMMENDATION: APPROVE THE 2001-02 COMPENSATION FOR THE EXECUTIVE DIRECTOR

Charter Section B3.581(h) grants the Port Commission the exclusive authority to set the compensation of the Port Director. The Charter provides that the compensation shall not exceed the prevailing salaries paid to those holding similar positions in comparable maritime employment.

In the past several years, annual changes to the compensation for the Port Executive Director were set in accordance with the compensation increases provided to employees represented by the Municipal Executive Association.

The contract that was negotiated between the City and the Municipal Executives Association for the period beginning July 1, 2001 provides for salary increases of 3% on July 1, 2001 and 2% on January 5, 2002.

The Port Executive Director's salary is currently $167,206 annually. Approval of the same wage package as provided to employees represented by the Municipal Executives Association would advance the Director's salary to $172,222 on July 1, 2001 and to $175,666 on January 5, 2002.

For purposes of comparison, the average salary of the Port Directors the three West Coast ports that operate a seaport only is $174,104. Those ports will be renegotiating salaries for their directors between July 1, 2001 and October 1, 2001. For all West Coast ports, including those with airports and seaports, the average annual salary is $203,880.

Prepared by: Kathy Mallegni, Assistant Deputy Director, Human Resources

This Print Covers Calendar Item No. **4A**

PORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-47

WHEREAS, Section B3.581(h) of the Charter grants the Port Commission the exclusive authority to set the compensation (salary and benefits) of the Port Executive Director; and

WHEREAS, in the past several years, annual increases to the compensation and benefits for the Port Executive Director were set similarly to those of members of the Municipal Executives Association (MEA), as negotiated between the City and the MEA; and

WHEREAS, the City and the MEA have agreed to increase the salary of MEA members by 3% effective July 1, 2001 and by an additional 2% on January 5, 2002; now, therefore be it

RESOLVED, that the compensation for the Port Executive Director for Fiscal Year 1999-2000 be increased at the same rate as that of MEA members; and, be it further

RESOLVED, that the salary for the Port Executive Director for Fiscal Year 2001-2002 be increased by 3% on July 1, 2001 and by an additional 2% on January 5, 2002 with benefits equal to that provided to employees represented by MEA effective July 1, 2001.

I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of June 26, 2001.

_____

Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

June 20, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Authorization to execute Contract Modification No. 1 to Contract No. 2659, "Pier 98 Landscaping and Trail Construction," with San Francisco Urban League of Gardeners

DIRECTOR'S RECOMMENDATION: AUTHORIZE PORT STAFF TO EXECUTE CONTRACT MODIFICATION NO. 1 TO CONTRACT No. 2659, "PIER 98 LANDSCAPING AND TRAIL CONSTRUCTION," WITH SAN FRANCISCO LEAGUE OF URBAN GARDENERS

In June 1999, the Commission authorized Port Staff to award Contract No. 2659 for trail construction, natural habitat restoration, and landscaping at Pier 98. The contract was awarded to the San Francisco League of Urban Gardeners (SLUG) in the amount of $351,102 plus a 20% contingency, for a total contract award of $421,322. The contract scope of work included trail construction, plant propagation and landscaping, installation of other site improvements to enhance public access, and landscape maintenance for three years. The project was funded by grants from the City and County of San Francisco Public Utilities Commission, the California Coastal Conservancy, the San Francisco Bay Trail Project, and Port capital funds. After completion of most of the project, Pier 98 was re-named and opened to the public as Heron's Head Park. The original contract with SLUG received approval from the Human Rights Commission, which granted a sole source waiver under 12 D of the S.F. Administrative Code.

The Port previously expended the contingency funds to increase the frequency of regular maintenance, purchase dedicated equipment for site maintenance, and repair portions of the road damaged by severe storm conditions.

This Print Covers Calendar Item No. 4B

In November 2000, the Bay Conservation and Development Commission (BCDC) issued a civil penalty order to the San Francisco International Airport (Airport) to resolve an enforcement action by BCDC against the Airport. By agreement of the parties, the order requires the Airport to transfer $82,000 to the Port to enhance the habitat at Heron's Head Park.

In January 2001, the Port executed a Memorandum of Understanding (MOU) with BCDC, whereby the Port agreed to accept and expend the funds for the specified use. The MOU further specifies that the Port has no responsibility for any other obligations under the BCDC order, nor is the Port required to expend any additional Port funds for completion of work not covered by the Airport's $82,000 payment. The Airport has transferred $82,000 to the Port as revenue, which has been appropriated to the Port project account.

In accordance with the civil penalty order and the MOU, the funds will be used to pay for propagation, planting, and maintenance of native marsh plants to supplement previously funded planting at Heron's Head Park. The purpose of the proposed planting is to create a visual and physical barrier around the most sensitive wildlife areas of the salt marsh. The planting area consists of approximately 5,900 square feet, and will benefit from 2,700 new plants to be installed over two years. The additional funds will also be used to purchase and install signs to discourage use of unauthorized pedestrian paths through sensitive habitat areas.

The total contract award including the proposed contract modification is as follows:

Original Contract award, including 20% contingency:	$421,322
Contract Modification No.1, including 20% contingency:	$82,000
Total Amount authorized:	$503,322

Port staff therefore requests Commission authorization to execute contract modification no. 1 with SLUG, to add $82,000 to Contract 2659, to accomplish the work described above, and to include a 20% contingency.

Prepared by: Carol Bach, Assistant Deputy Director, Environmental Health and Safety

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-48

WHEREAS, at its June 8, 1999 meeting, the Commission authorized the award of Contract No. 2659, "Pier 98 Landscaping and Trail Construction" to the San Francisco League of Urban Gardeners at a cost of $421,322, including a 20% contingency; and

WHEREAS, the Human Rights Commission had previously, at its regular meeting of April 28, 1998, authorized the waiver of competitive bid requirements to allow a sole source contract with the San Francisco League of Urban Gardeners; and

WHEREAS, the contract scope was for construction of trails, habitat restoration, installation of landscaping and other site improvements, and landscape maintenance for three years; and

WHEREAS, in accordance with an order issued by the Bay Conservation and Development Commission, the San Francisco Airport has transferred $82,000 to the Port to support additional planting to enhance existing landscaping and protect sensitive habitat areas; and

WHEREAS, the San Francisco League of Urban Gardeners has agreed to complete the proposed planting and install appropriate signs at a total cost not to exceed $82,000, including a 20% contingency; now therefore be it

RESOLVED, that the San Francisco Port Commission authorizes staff to execute Contract Modification No. 1 to Contract No. 2659, "Pier 98 Trail Construction and Landscaping," with the San Francisco League of Urban Gardeners for a total amount of $82,000, which includes a 20% contingency, and further authorizes the Executive Director to accept the work upon completion.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 26, 2001.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

June 20, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of CEQA findings for the Pacific Cement Company Maritime Industrial Lease at Pier 92 (Resolution 01-49)

DIRECTOR'S RECOMMENDATION: Approve Resolution 01-49

Pacific Cement Company proposes to enter into a lease with the Port on the south side of Amador Street, upland from Pier 92 for a ready-mix concrete plant and importation of aggregate materials. These uses, together with other activities, were analyzed in the Southern Waterfront Final Supplemental Environmental Impact Report (SEIR), San Francisco Planning Department Case No. 1999.377E, certified on February 15, 2001, and in an Addendum to the Southern Waterfront SEIR issued by the San Francisco Planning Department on June 20, 2001.

Pursuant to the requirements of the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq., (CEQA), the Guidelines for Implementation of CEQA, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines) and Chapter 31 of the San Francisco Administrative Code, the Port Commission must review and consider the information contained in the SEIR, and adopt findings prior to approving any uses analyzed in the SEIR. Accordingly, the "Findings of the Port Commission Affirming the Pacific Cement Company Lease" ("Findings") are attached to this staff report for Commission review and adoption. The Findings include 1) a description of the Pacific Cement project; 2) discussion of the SEIR and SEIR Addendum; 3) discussion of the Waterfront Land Use Plan Final EIR, to which the SEIR supplements; 4) the disposition of each of the mitigation measures identified in the SEIR, including those that would be required as conditions of the Pacific Cement Lease; 5) Significant Impacts concluded in the

This Print Covers Calendar Item No. 5A

SEIR; 6) discussion of the SEIR Alternatives and reasons for their rejection; and 7) a statement of overriding considerations explaining the reasons for Port Commission approval of the Pacific Cement Lease.

The Findings include two supporting exhibits. Exhibit 1 contains those SEIR mitigation measures, presented in their entirety, which would be required under the Pacific Cement Lease. Where mitigation measures have been modified, as discussed in the Findings, such changes are indicated with additions underlined, and deletions struck out. Exhibit 2 consists of a Mitigation Monitoring and Reporting Program (MMRP), which would be adopted by the Commission as required by Section 21081.6 of the Public Resources Code. The purpose of the MMRP is to determine the stage at which each of the adopted mitigation measures must be imposed to ensure that the measure is carried out.

Submitted by: Diane Oshima
Manager, Waterfront Planning

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-49

ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT RELATED TO THE APPROVAL OF A LEASE WITH PACIFIC CEMENT COMPANY FOR THE IMPORTATION OF AGGREGATES AND A CONCRETE BATCH PLANT ON THE SOUTH SIDE OF AMADOR STREET, UPLAND FROM PIER 92.

WHEREAS, The Southern Waterfront Final Supplemental Environmental Impact Report (SEIR), San Francisco Planning Department Case No. 1999.377E was certified on February 15, 2001, which supplemented the Waterfront Land Use Plan Final EIR, certified on January 9, 1997; and

WHEREAS, The Project analyzed in the SEIR included a series of proposed lease uses, Port infrastructure projects and potential development assumptions on Port-owned property located in the Southern Waterfront, from Pier 70 to India Basin; and

WHEREAS, The SEIR Project included proposed concrete batch plants and associated importation of aggregates through the Port's marine terminals, which uses are now included in a proposed lease with Pacific Cement Company ("Pacific Cement Lease"); and

WHEREAS, The Pacific Cement Company's ready-mix concrete batch plant and aggregate imports were not included in the list of Industry Group project sponsors identified in the SEIR, but which uses were analyzed in the SEIR; and

WHEREAS, An Addendum to the SEIR was published on June 20, 2001 determining that the effects of the proposed uses in the Pacific Cement Leases would not result in any new significant environmental effects beyond those already identified in the SEIR; and

WHEREAS, Under CEQA Guideline Section 15162, no new information of substantial importance has become available, no modification to the project has occurred that would require important revisions to the SEIR, and no substantial changes have occurred with respect to the circumstances under which the project is undertaken, since the Planning Commission certified the SEIR, therefore, there is no need to prepare an addendum or supplement to the SEIR or recirculate the SEIR; and

WHEREAS, Pursuant to the requirements of the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq., (CEQA), the Guidelines for Implementation of CEQA, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines) and Chapter 31 of the San Francisco Administrative Code, the Port Commission must review and

consider the information contained in the SEIR and Addendum, and adopt findings prior to approving the Pacific Cement Lease for the uses described above; and

WHEREAS, Project Environmental Impact Report files have been made available for review by the Port Commission and the public, and these files are part of the record before the Port Commission; and

WHEREAS, That the Port Commission has reviewed and considered the information contained in the SEIR and Addendum; now, therefore be it

RESOLVED, That the Port Commission hereby adopts CEQA findings, and a Mitigation Monitoring and Reporting Program, as required by Section 21081.6 of the Public Resources Code, and as attached to this Resolution 01-49 ("Findings Affirming the Pacific Cement Lease"; Exhibit 1: SEIR Mitigation Measures Required as Conditions of the Pacific Cement Lease; and Exhibit 2: Pacific Cement Lease Mitigation Measure Monitoring Program), including findings with respect to the environmental mitigation measures identified in the SEIR, the project alternatives, the potential significant environmental effects of the Project, as approved, and a statement of overriding considerations supporting the decision to approve the Pacific Cement Lease.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 26, 2001.

_____
SECRETARY

FINDINGS OF THE PORT COMMISSION AFFIRMING THE PACIFIC CEMENT LEASE

I. INTRODUCTION

The following findings are hereby adopted by the Port Commission pursuant to the requirements of the California Environmental Quality Act, California Public Resources Code Sections 21000 et seq., (CEQA), the Guidelines for Implementation of CEQA, 15 Cal. Administrative Code Sections 15000 et seq., (CEQA Guidelines) and Chapter 31 of the San Francisco Administrative Code.

These findings are adopted, and incorporated by reference, in the Port Commission Resolution 01-49, dated June 26, 2001, approving a lease on Amador Street, near Pier 92 with Pacific Cement Lease.

These findings are based on the Port of San Francisco Southern Waterfront Final Supplemental Environmental Impact Report (SEIR), certified February 15, 2001, and Addendum to the SEIR dated June 20, 2001. The SEIR provides a comprehensive evaluation of impacts of specific leases, Port infrastructure projects and a program of other potential activities on Port property in the Southern Waterfront area. The SEIR supplements the Waterfront Land Use Plan Final Environmental Impact Report, certified January 9, 1997.

The findings contain the following sections:

Article II is the Description of the Record. The Pacific Cement Lease and its relationship to the project analyzed in the SEIR is generally described in Article III, below. Article IV sets forth findings as to the disposition of each of the mitigation measures proposed in the SEIR. These findings fall into five categories: (1) measures adopted by the Port Commission exactly as proposed in the SEIR and which can be implemented by the Port Commission, (2) measures adopted by the Port Commission exactly as proposed in the SEIR and which will be implemented as a condition of the Pacific Cement Lease, (3) measures adopted by the Port Commission with modifications as a condition of the Pacific Cement Lease, (4) measures recommended by the Port Commission for adoption and which are enforcable by city agencies other than the Port Commission, and (5) mitigation measures proposed in the SEIR which the Port Commission rejects because the measures are not applicable to the uses or activities proposed in the Pacific Cement Lease. Where measures are modified, the modified language is indicated in the text. Exhibit 1, attached to these findings, contains the full text of the SEIR mitigation measures that will be implemented as part of Port Commission approval of the Pacific Cement Lease. Where mitigation measures have been modified, as described below in Article IV, the modifications have been indicated (additions are underlined; ~~deletions are shown with strike-through~~). Exhibit 2 contains the Mitigation Monitoring and Reporting Program. Article V of this document addresses the SEIR alternatives and the reasons for the Commission's rejection of those alternatives in the context of approving the Pacific Cement

Lease. Article VI identifies the significant adverse environmental impacts (including the unavoidable significant adverse impacts) to which the Pacific Cement Lease would contribute, which have not been mitigated to a level of insignificance by the adoption of mitigation measures as provided in Article V above. Article VII contains a Statement of Overriding Considerations, setting forth specific economic, social and other reasons in support of the Port Commission's approval of the Pacific Cement Lease.

II. DESCRIPTION OF THE RECORD

Location and Custodian of Record.

The public hearing transcripts, a copy of all letters received during the public review period, the administrative record, and background documentation of the SEIR are located at the Planning Department, 1660 Mission Street, San Francisco. The Planning Department is the custodian of record.

Findings are based on substantial evidence contained in the record before the Port Commission. For ease and clarity of reading, specific citations to information in the record upon which each finding is based may have been omitted. In all instances, however, these findings are based on the information contained in the SEIR, as supplemented with information provided by the applicant, consultants, and interested parties, and reasonable inferences drawn from such information, identified below. Much of this information was cited in the SEIR; all of this information has been and will continue to be available for public review at the offices of the San Francisco Planning Department and/or the Port of San Francisco.

For purposes of CEQA and these findings, the record before this Commission includes, without limitation, the following:

A. All application materials and supporting documents submitted by the Project Sponsor, Pacific Cement Lease;

B. The Waterfront Land Use Plan Final EIR, and associated CEQA Findings adopted by the Port Commission in June 1997;

C. The SEIR, including the Draft SEIR, comments received on the Draft SEIR, Responses to Comments, staff initiated text changes to the SEIR, and all appendices;

D. An Addendum to the Final SEIR, dated June 20, 2001

E. The Mitigation Monitoring and Reporting Program for the Pacific Cement Lease Lease;

F. All meeting agendas, minutes and reports to the Southern Waterfront Advisory Committee, Port Commission, or other Boards and Commissions attachments, references and material kept in the ordinary course of business associated with the public planning process;

G. All relevant staff, and public reports and memoranda kept in the ordinary course of business providing substantial evidence to support these findings, and the SEIR, including attachments, appendices and references kept in the ordinary course of business;

H. All public notices, including but not limited to notices of preparation and completion issued for the Pacific Cement Lease, and notices of public meetings.

III. DESCRIPTION OF PACIFIC CEMENT LEASE AND SEIR PROJECT

This section describes the activity the Port Commission proposes to authorize under the Pacific Cement Lease and the relationship of the proposed lease to the activities analyzed in the SEIR. The SEIR considers a number of proposed industry leases and Port development activities for the Southern Waterfront area. The Pacific Cement Lease was not identified in the SEIR as one of the proposed leases. However, the proposed uses in the Lease, operation of a new concrete batch plant facility in the Pier 92 area and associated vessel importation of aggregate materials used in concrete through the Port's marine terminal facilities, were included among the range of activities analyzed in the SEIR. The San Francisco Planning Department's Major Environmental Assessment Division published an Addendum to the SEIR, dated June 20, 2001, which explains the reasons for concluding that the proposed uses and associated impacts of the Pacific Cement Lease have been adequately addressed in the SEIR. Based on the Addendum, the Planning Department determined that:

1. No substantial changes have occurred on the Project that would involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects:

2. No substantial changes have occurred with respect to the circumstances under which the Project is to be undertaken that would involve new significant environmental effects or a substantial increase in the severity of previously identified significant effects: and

3. No new information of substantial importance has arisen since certification of the SEIR that identified new or substantially more severe significant impacts, that identified new mitigation measures or alternatives that would substantially reduce an identified significant effect, or that shows mitigation measures or alternatives previously found infeasible would be feasible and would reduce one or more significant effects.

A detailed description of the proposed Pacific Cement Lease and environmental evaluation documents is presented below.

A. The Pacific Cement Lease

Pacific Cement Lease seeks a lease for the development and operation of a ready-mix concrete plant, located on a portion of Pier 92 at the east end, south side of Amador Street, about one-third mile from Third Street. The uses in the Pacific Cement Lease would be restricted to new aggregate imports for Pacific Cement's operations, and the ready mix concrete manufacturing operations. The Pacific Cement Lease would not permit any manufacturing of asphalt.

The Pacific Cement ready-mix plant would be constructed with all-new equipment, replacing its existing, smaller San Francisco plant located on the former Western Pacific site owned by the Port, immediately north of Pier 80. The ready-mix plant would occupy approximately 210,000 sq. ft. of currently undeveloped land, next to the existing Darling International tallow plant. The currently vacant, underdeveloped site would be paved with asphalt or concrete.

The ready-mix plant would include storage of aggregate material (gravel) delivered by bottom-hopper dump trucks, received by barge or ships through the Port's marine terminals, most likely from berths at the Pier 94-96 terminal. The Pacific Cement facility would include storage bins for aggregate and sand; and storage silos for Portland cement and fly ash, both of which are used in the production of concrete; one mixer and one auxiliary load out silo; and a series of conveyance systems for movement of the materials throughout the plant – conveyor belts for the solid aggregate material, and an enclosed pneumatic pumping system for the Portland cement and fly ash, equipped with "baghouse filters" for dust control. The concrete manufacturing processes would be enclosed within a newly-constructed industrial shed structure, and storage piles of aggregates would be contained in three-sided bin enclosures to reduce dust. Pacific Cement also would use water spray bars to reduce dust from aggregates in outdoor storage piles. In addition to the production facilities, the operation would have a truck maintenance shop, truck washout station with water reclamation, an office trailer, and parking for concrete mixer trucks and employee vehicles.

Ready mix trucks ("cement mixers") would make deliveries of concrete to customers and construction sites primarily within San Francisco. Trucks would travel on Amador Street to Third Street, unless and until the Illinois truck and rail bridge is built over Islais Creek, which would allow trucks to bypass Third Street and Cargo Way. Trucks traveling outside of San Francisco would generally use Cesar Chavez Street to reach US 101 or Interstate 280 freeways.

The lease term is for 10 years with three, five year options to extend the lease term up to a total of 25 years. The Pacific Cement Lease would include SEIR mitigation measures as conditions of the lease, to avoid or minimize significant environmental impacts. Under the lease, the Port also has the right, in its sole discretion, to reject an extension option if the tenant has not complied in a satisfactory and timely manner with the required SEIR mitigation measures, stormwater pollution prevention plan, or reporting requirements stipulated as conditions of the lease.

B. Project Analyzed in the Southern Waterfront Supplemental Environmental Impact Report (SEIR)

1. Background of SEIR and Relationship to Other Documents. In January 1997, the San Francisco Planning Commission certified the Waterfront Land Use Plan Final EIR (WLUP FEIR), a Program EIR that analyzed the impacts of a full range of land use alternatives and variants on Port property, including the Southern Waterfront area between Pier 70 to India Basin. The Waterfront Land Use Plan, and the WLUP FEIR and associated CEQA Findings adopted by the Port Commission in June 1997 also include a comprehensive discussion of the Port's public trust and financial responsibilities, and the local and state regulatory framework for waterfront projects, which set the context for the Port's land use policies, including those for the Southern Waterfront.

2. SEIR Project Description. As described in the WLUP FEIR and CEQA findings, market conditions and other factors will determine the nature of development that occurs along the waterfront, consistent with the Waterfront Land Use Plan. In 1999, the Port received three different lease proposals for ready-mix concrete batch plants, along with three other use proposals between Piers 70 and 96 (referred to as the "Industry Group" in the SEIR). In addition, the Port also had proposed construction of an Illinois Street rail and truck bridge, and a dredged materials handling operation. In June 1999, the Major Environmental Assessments division (MEA) of the San Francisco Planning Department determined that these proposed activities could have potential significant physical environmental effects that were not fully analyzed in the WLUP FEIR, and thus required supplemental environmental review. Rather than prepare separate supplemental EIR's, MEA directed that all the proposed individual projects be combined and analyzed in a single document, the Southern Waterfront Supplemental EIR (SEIR). The SEIR analyzes existing uses and conditions, and the proposed Industry Group uses and Port infrastructure projects listed below, which are analyzed at a project-specific level of detail.

- Bode Gravel Company/Mission Valley Rock – concrete ready-mix plant and aggregate import terminal, and asphalt batch plant at Pier 92
- RMC Pacific– proposed concrete ready-mix plant at Pier 80
- British Pacific Aggregates/Hanson Aggregates – aggregate bulk imports, and possible concrete ready-mix and asphalt plants at Pier 94
- ISG Resources – proposed import, storage and transloading of fly ash in the Pier 90 former grain silos and adjacent dock
- Coach USA – proposed tour bus maintenance and repair facility at Pier 96
- Waste Management Inc. – proposed construction debris recycling facility at Pier 70
- Illinois Rail and Truck Bridge – proposed as a connection between the Port's North and South Marine Terminals across Islais Creek
- Port Dredged Materials Storage Operations – storage and transshipment of Bay mud removed during Port maintenance dredging of its terminal berths

In addition to the above use proposals, the SEIR analyzes the environmental effects of potential development scenarios that could occur on adjacent or nearby Port-owned property in the Southern Waterfront. There are no actual proposals for these development scenarios, and therefore the impacts are evaluated at a program (less specific) level of detail. The Port and MEA determined the need to include development scenarios to ensure that the SEIR's

cumulative impact analyses adequately took into account the effects of other leasing, cargo or development activity that could be proposed on Port property. The Port has been working actively to solicit new contracts for cargo shipping, development proposals for the Pier 70 Mixed Use Development Opportunity Area, and to carry out community planning efforts for possible new development in the Pier 90-94 backlands area. While it is unknown as to whether any actual development will be proposed, the Port recognized the potential for developments or unanticipated proposals to emerge while preparation of the SEIR was underway, or after certification. As a result, it was decided that the SEIR description of the "Project" include assumptions of potential development to establish a conservative cumulative impact analysis that tends toward identifying a relatively high-end level of impacts. The SEIR Project, therefore, encompasses the Industry Group proposals, certain Port infrastructure proposals and other less specific Port development in the Southern Waterfront area. The potential development assumptions fall into the following categories, which are further detailed in the SEIR:

- Increased cargo shipping activity at the North and South Marine Terminals
- Potential, new development (though there are no actual proposals) on other Port Southern Waterfront property, including Pier 70 Development Opportunity Site, other industrial uses in the remaining Pier 70 area, the Western Pacific site, the Pier 90-94 Backlands, and portions of Pier 96

The inclusion of the potential development assumptions with the specific Industry Group and Port infrastructure improvements in the SEIR "Project" makes the SEIR somewhat unique. The SEIR not only provides the analysis of project-specific impacts and mitigations for each proposed Industry Group lease or Port infrastructure project, it also functions as a Program EIR (as described in CEQA Guidelines Section 15168) in its evaluation of other potential Port development at a less-specific level of detail. With this scope of activities and approach, the SEIR has been structured to, as much as possible, meet environmental evaluation requirements under CEQA for Southern Waterfront projects that may be considered for approval on separate timelines. For the Industry Group and Port infrastructure projects, the SEIR meets all CEQA environmental review, the nature of which would depend in part on how closely a proposal matches or is encompassed by the uses and impacts analyzed in the SEIR.

The SEIR contains a focussed analysis of the following impact topics: Land Use, Transportation, Air Quality, Hydrology and Water Quality, Hazardous Materials, Biological Resources, and Growth Inducement. The SEIR's cumulative transportation and air quality analysis takes into account nearby land use and transportation changes outside the Port's jurisdiction. The description of use and transportation assumptions underlying the SEIR analyses, on and off Port property, are provided on SEIR pp. 1-24, 45-47, and 96-97. In addition to the projects listed above, the cumulative transportation and air quality analysis takes into account cumulative development either approved or proposed on adjacent or nearby areas outside of the Port's jurisdiction, including Mission Bay, Bayview Hunters Point community, and the proposed expansion of the Potrero Power Plant.

3. SEIR Analysis Timeframe. The broad array of activities included in the SEIR Project would occur at varying points in time. The proposed Industry Group leases were presumed to

occur as soon as the Port and Industry Group entities could negotiate their respective leases following certification of the SEIR. The Port's Illinois Street Rail and Truck Bridge, and Dredged Material Handling Facility were assumed to occur as soon as the Port secured the remaining funding, approval and/or contracting necessary to implement these infrastructure facilities. In contrast, most of the projected growth in cargo, and development program assumptions for other Port properties were not assumed to occur in the near-term.

As a result, the SEIR analyzes the various activities in two different timeframes, years 2003 and 2015. See pp. 6-7 of the SEIR for a listing of the sites and proposed uses, broken down by analysis year. In 2003, the SEIR assumes implementation of all the Industry Group leases, and some growth in cargo and industrial activities ("Phase I") in addition to existing activities. The 2003 transportation analysis is presented in two contexts: one without the presence of the Illinois Street Bridge and Third Street MUNI Metro light rail improvements, and one with these two transportation improvement projects in place.

The Year 2015 timeframe assumes implementation of the Industry Group leases, the Illinois Bridge and MUNI Metro light rail on Third Street, more projected cargo and other industrial activity than in 2003; and potential development of the Pier 70 Opportunity Area and Pier 90-94 Backlands. In addition, the 2015 analysis assumes greater levels of concrete and asphalt production volumes than assumed in the 2003 analysis (See SEIR Appendix A, p. A.1-A.5).

4. SEIR Alternatives. In addition to the Project as described above, the SEIR analyzes the following three alternatives:

- Alternative A: The No Project Alternative, which would entail no change to the project area. None of the Industry Group leases or Port infrastructure projects, nor the Pacific Cement Lease would be implemented.

- Alternative B: Reduced Scale Alternative, which assumes the same projects and activities as the Project, except that the Mission Valley Rock and British Pacific Aggregates (now Hansen) asphalt plants, and the Coach USA bus storage and maintenance facility would not occur; lower concrete production volumes assumed in 2003 would be maintained in 2015; there would be a lower level of cargo shipping than assumed in the SEIR Project Description; and there would be no assumed development in the Pier 90-94 backlands. The SEIR identifies Alternative B as the Environmentally Superior Alternative in accordance with Public Resources Code Sections 21002 and 21081. Alternative B would result in less substantial traffic impacts and have slightly less impact on air quality than the Project.

- Alternative C: Residential Use Future Scenario, which assumes residential uses together with mixed office/research and development space assumed in the Pier 70 Mixed Use Opportunity Area.

5. SEIR Addendum for Pacific Cement Lease. The proposed Pacific Cement Lease is not specifically described in the SEIR as one of the proposed Industry Group project components. However, the SEIR does analyze the impacts of concrete batch operations on Pier 92, which is in the immediate vicinity of the proposed Pacific Cement Lease site, and identifies mitigation

measures to avoid or minimize significant environmental impacts. Pacific Cement has agreed to implement these mitigation measures as conditions of its lease with the Port. In addition, the Port has agreed to implement specified mitigation measures related to management of its property and Tenants, including SEIR Mitigation Measure C.4A, described in detail below under IV. Mitigation Measures. Mitigation Measure C.4A requires the Port to monitor concrete and/or asphalt production volumes on Port property, to ensure that the collective volume produced by various concrete or asphalt plant tenants do not exceed the levels assumed and analyzed in the SEIR.

The Pacific Cement proposal was forwarded to the Major Environmental Assessments (MEA) Division of the San Francisco Planning Department for a determination of whether further environmental review was required. MEA reviewed the proposal and has concluded that the SEIR adequately covers the environmental effects of the Pacific Cement Lease. An Addendum to the SEIR, dated June 20, 2001, has been published documenting the reasons for this determination. The determination is supported by the fact that the Pacific Cement Lease is proposed in an area that already was analyzed for use as a concrete batch plant, and that the concrete production would be monitored and controlled under Port lease conditions (as well as any other concrete or asphalt plants on Port property) to levels consistent with those analyzed in the SEIR.

The SEIR Addendum further examined whether there would be any change in the SEIR analysis if the ratio of concrete vs. asphalt production were changed, but remained within the overall production levels assumed in the SEIR. This conservative analysis was conducted in recognition of the fact that the approval of a lease with Pacific Cement for another concrete batch plant, together with other concrete batch plants identified and analyzed in the SEIR, could result in concrete production levels that exceed the 650,000 cu.yds assumed in 2003, or 850,000 cu. yds. in 2015, but would require a reduction or elimination of the ability to produce asphalt on Port-owned property. The SEIR Addendum analyzed two alternative ratio scenarios: A) 750,000 cu.yds concrete and 200,000 tons asphalt; and B) 850,000 cu. yds. concrete and no asphalt production. The analysis concluded that neither of the scenarios would generate new significant impacts that would be substantially more severe than those identified in the SEIR. The effects on air quality and transportation would be the same as or similar to those resulting from the project analyzed in the SEIR, and would not result in new significant effects. Mitigation measures included in the SEIR would remain applicable. As a result, no additional Supplemental or Subsequent EIR is needed pursuant to State CEQA Guidelines Sections 15162 and 15163 as a result of the Pacific Cement lease proposal.

6. Approvals Related to Pacific Cement Lease. The primary approval actions related to the Pacific Cement Lease ready-mix plant operation is Port Commission approval of these findings and aproval of the Pacific Cement Lease. In addition, Bode will need to obtain construction permits from the Port.

IV: MITIGATION MEASURES

The findings in this section concern mitigation measures set forth in the SEIR, Chapter IV Mitigation Measures Proposed to Minimize the Potential Adverse Impacts of the Project, which include a listing of the applicable mitigation measures, by topic, originally presented in the WLUP FEIR. All of the mitigation measures in the SEIR have alpha numeric codes which are used to refer to the measures in these findings.

The scope of impacts analyzed in the SEIR reflects a broad range of activities, described above, generated from Port lease and infrastructure projects, as well as potential additional development that could occur on Port Southern Waterfront property or on adjacent or nearby non-Port owned lands. As a result, not all of the mitigation measures will apply to the Pacific Cement Lease.

In the text of these findings, mitigation measures that are applicable to the Pacific Cement Lease and which would be adopted by Pacific Cement or the Port Commission are summarized in a few sentences. Mitigation measures within the jurisdiction of other agencies are similarly referenced together with an indication of the appropriate jurisdiction. Mitigation measures which are modified, or rejected because they are not applicable to the uses proposed in the Pacific Cement Lease are summarized with sufficient specificity to allow the reader to understand the rationale for the action. Modifications to mitigations are set out in detail. No mitigation measure applicable to the Pacific Cement Lease operation is rejected in its entirety. Exhibit 1, incorporated herein by reference, contains the complete text of each mitigation measure as presented in the SEIR that is required as a condition of the Pacific Cement Lease, with any modifications shown (additions are underlined; deletions are shown with ~~strike through~~).
The mitigation measures fall into five categories:

1) Mitigation measures adopted by the Port Commission exactly as proposed in the SEIR and which can be implemented by the Port Commission;

2) Mitigation measures adopted exactly as proposed in the SEIR and which can be implemented as a condition of the Pacific Cement Lease;

3) Mitigation measures adopted with modifications as a condition of the Pacific Cement Lease;

4) Mitigation measures which are implemented or enforced by city agencies other than the Port Commission: MUNI and the Department of Parking and Traffic (Mitigation Measures B.1

5) Mitigation measures proposed in the SEIR which the Port Commission rejects because it has determined that the measures are not applicable to the uses or activities proposed in the Pacific Cement Lease.

The Port Commission finds that the mitigation measures adopted or recommended for adoption by another agency, either as they appear in the SEIR or as proposed for modification, are feasible and enforceable through the Pacific Cement Lease or through the

other anticipated approvals identified above. Based on the information contained in the SEIR and the administrative record, the Port Commission has found that the mitigation measures in the SEIR will mitigate, reduce, or avoid significant effects and are hereby adopted by the Port Commission and recommended for adoption and implementation by other City agencies, which agencies can and should adopt these measures. Measure B.1 identifies various improvements to mitigate unacceptable congestion levels projected in year 2015 at specified intersections, which fall within the jurisdiction of the Department of Parking and Traffic (DPT) and MUNI. The Port has consulted with MUNI and DPT regarding the feasibility of implementing these improvements in the future. While it is not possible to determine definitively at this time whether these measures will be implemented as specifically described in the SEIR, the measures appear to be feasible and could be considered for implementation by DPT if the projected changes in traffic conditions occur.

A. Mitigation Measures Adopted by the Port Commission as Proposed

The following SEIR mitigation measures are found to mitigate, reduce, or avoid significant environmental effects, and are hereby adopted for implementation by the Port Commission.

Transportation

B.4 This measure requires the Port to comply with requests from the Major Environmental Analysis section of the Planning Department to analyze intersection levels of service for existing and future traffic conditions at intersections that may reasonably be expected to be affected by each future development, and identify and implement appropriate mitigation measures. This measure originated in the WLUP FEIR, and was modified and adopted by the Port Commission in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications. This measure is implemented primarily through the environmental review process for individual public and private projects proposed on Port property. Implementation by the Port or Port project developer of identified mitigation measures depends in part on the degree to which the Port project contributes to significant impacts, and whether the affected streets are in the jurisdiction of the Departments of Public Works (DPW) and Parking & Traffic (DPT), which are generally responsible for managing traffic improvement projects. For example, the Port is taking responsibility for securing funding and implementation of the Illinois Street Bridge, a Port infrastructure project that is not under the jurisdiction of either DPW or DPT, which has been identified as a mitigation measure in the SEIR. As indicated below, the Port will require financial contributions from Pacific Cement to contribute towards implementation of this measure, as a condition of the lease.

Hazards

E.3 To mitigate hazards associated with disturbance of an existing soil stockpile that may occur during site construction, this measure requires the Port to contract, or require Port tenant(s) to contract, for disposal of any portion of the soil pile on the Bode and Mission Valley Rock sites at Pier 92. This measure is hereby adopted by the Port Commission, which will be responsible for treating, reusing or removing the soil stockpile, in accordance with all applicable environmental laws and regulations.

Geology, Soils and Seismicity

G.12 This measure requires the Port to work in cooperation with the City's Office of Emergency Services (OES), Fire Department and Police Department to plan routes of alternative emergency access to development sites and hospitals. This measure originated in the WLUP FEIR and was adopted by the Port Commission, as modified, in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications. The Port is one of several City agencies that has been working in coordination with the Mayor's Office of Emergency Services (OES), and Fire and Police Departments to set up a communications procedure that enables emergency access routes to be identified based on reports of road or transportation network damage, obstructions or other circumstances following a catastrophe that could affect emergency routes.

G.13 To mitigate hazards associated with piers that are in poor condition, this measure calls for development and regular inspection of the condition of the piers, and for development of a maintenance and repair schedule, coordinated with the Port's Capital Plan. This measure originated in the WLUP FEIR and was adopted by the Port Commission, as modified, in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications. To date, the Port has been performing pier condition inspections, primarily for structures in questionable condition, or for facilities proposed for new leases or development projects. The Port's Engineering staff is currently in the process of developing a program to define a systematic approach to prioritizing and conducting pier condition studies in the future. In addition, the Port Commission has authorized funds to purchase new software and consulting services to establish a state-of-the-art Facility Maintenance Management program. The Facility Maintenance Management program will work hand in hand with the Pier Condition Inspection and Prioritization program to improve maintenance and repair of the Port's facilities.

B. Mitigation Measures Adopted as Proposed as a Condition of the Pacific Cement Lease

The following SEIR mitigation measures are found to mitigate, reduce, or avoid significant environmental effects, and are therefore included as a condition in the Pacific Cement Lease.

Air Quality

C.1 This measure requires Pacific Cement Lease (a construction aggregate industry business) to include "best available control technology" (BACT) to control emissions, consistent with current regulations. This measure, which describes several types of practices to reduce or eliminate particulate emissions, will be implemented as a condition of the Pacific Cement Lease.

C.3 This measure requires that all tenants, including Pacific Cement, to make good faith efforts to engage in operational practices sensitive to the environment and the neighboring community, consistent with the City's Clean Air Program. This measure calls for operators of fleet vehicles to investigate the potential for use of low-or zero emission vehicles and implementation of measures to reduce vehicle emissions to the maximum feasible extent, and provides a list of options to achieve that objective. The measure also requires that tenants

operating diesel-powered stationary equipment investigate similar options, and that the Port provide economic incentives to minimize diesel emissions on Port property. This measure will be implemented as a condition of the Pacific Cement Lease.

C.5 This measure, which originated in the WLUP FEIR, requires the Port to require Pacific Cement's construction contractor(s) to implement a dust abatement program to reduce the contribution of the project construction to local PM-10 concentrations. The measure lists a series of specific practices to achieve the dust abatement objective. The measure will be implemented as a condition of the Pacific Cement Lease.

C.6 This measure supplements the dust abatement practices included in Measure C.5 by citing additional practices identified through the SEIR analysis: installation and operation of wheel-washing systems; daily street sweeping around aggregate-related plans; and posting of tenant and Port contact information for citizens to call with operational concerns or complaints. This measure will be implemented as a condition of the Pacific Cement Lease.

Hydrology

D.1 To reduce potential water quality impacts associated with runoff from construction activities, this measure requires the preparation and implementation of a Storm Water Pollution Prevention Plan (SWPPP) for construction sites of less than five acres of disturbed area, similar to that required under the statewide General Permit for Storm Water Discharges Associated with Construction Activity. This measure will be implemented as a condition of the Pacific Cement Lease.

D.2 This measure requires that all developers and tenants, including Pacific Cement Lease, implement source control Best Management Practices to minimize the potential for water quality degradation from stormwater runoff associated with site operations, consistent with those identified in the Industrial/Commercial Storm Water Best Management Practices Handbook. This measure will be implemented as a condition of the Pacific Cement Lease.

D.4 This measure, which originated in the WLUP FEIR, requires members of the Industry Group and other project sponsors to implement appropriate Best Management Practices for stormwater pollution prevention through the life of each lease, and to monitor stormwater quality in accordance with requirements of the General Permit for Discharge of Industrial Stormwater. This measure will be implemented, as a condition of the Pacific Cement Lease. The stormwater practices employed by Pacific Cement will also be required to comply with a Southern Waterfront Stormwater Master Plan which is currently being developed by the Port with the services of team of hydrology and stormwater consultants. The Stormwater Master Plan may result in treatments or practices which exceed the requirements of the General Permit for Discharge of Industrial Stormwater.

Hazards

E.1 To reduce impacts from spills or other releases that may occur with the use of hazardous materials, this measure requires project sponsors to prepare a Hazardous Materials Business Plan for project components involving the use of petroleum products or hazardous materials. This measure also requires preparation of a Spill Control and Countermeasure Plan

for any project involving the above-ground storage of petroleum products. This measure will be implemented as a condition of the Pacific Cement Lease.

E.2b To reduce off-site exposure to hazardous substances, this measure requires that where subsurface contamination is identified, the project sponsor will ensure that the affected area will be enclosed with a fence, and warning signs installed, until all remedial activities have been completed. This measure will be implemented as a condition of the Pacific Cement Lease.

Geology, Soils and Seismicity

G.1 This measure, which originated in the WLUP FEIR, requires that a geotechnical investigation be conducted prior to permitting any new construction of facilities or reuse of existing structures for intensified use. This measure will be implemented as a condition of the Pacific Cement Lease.

G.2 This measure, which originated in the WLUP FEIR, requires the Port to require tenants to carry out various tasks to minimize hazards to building occupants from non-structural damage, such as securing heavy or large overhead equipment to floors and walls. This measure will be implemented as a condition of the Pacific Cement Lease.

G.4 This measure, which originated in the WLUP FEIR, calls for non-structural building elements to be designed to withstand strong ground shaking and to remain intact. This measure will be implemented as a condition of the Pacific Cement Lease.

G.5 This measure, which originated in the WLUP FEIR, requires the use of flexible utility connections, automatic shut-off valves for natural gas pipelines, or as otherwise required by the San Francisco Fire Department or Port Fire Marshal. This measure will be implemented as a condition of the Pacific Cement Lease.

G.6 This measure, which originated in the WLUP FEIR, requires fire extinguishers adjacent to exit doors, consistent with the San Francisco Fire Code. It also requires that employees be trained on how to use the extinguishers. This measure will be implemented as a condition of the Pacific Cement Lease.

G.8 This measure, which originated in the WLUP FEIR, encourages the Port and its tenants to take feasible steps to minimize potential earthquake safety risks related to hazardous materials in its operations, and identifies specific practices that may be applied to achieve that objective. This measure will be implemented as a condition of the Pacific Cement Lease.

G.9 This measure, which originated in the WLUP FEIR, calls for tenants to design all facilities for storage of hazardous chemicals in containers to minimize potential hazards in an earthquake, consistent with Fire Department and/or Health Department requirements. This measure will be implemented as a condition of the Pacific Cement Lease.

G.10 This measure, which originated in the WLUP FEIR, calls for tenants to employ an engineer qualified in earthquake engineering to incorporate all economically feasible engineering methods into the final facility design, to reduce the potential for loss of life-line services. This measure will be implemented as a condition of the Pacific Cement Lease.

G.11 This measure, which originated in the WLUP FEIR, calls for use of flexible connections for utility lines, back-up supplies of water, telecommunications equipment or other features to minimize hazards from earthquakes or other emergencies. The measure indicates that engineers should be consulted to recommend the appropriate approach to achieving this objective. This measure will be implemented as a condition of the Pacific Cement Lease.

G.14 This measure, which originated in the WLUP FEIR, calls for all open sub-grade structures and pits, whether temporary or permanent, to provide protection against hazards to people and damage to proposed or nearby structures that could result from buoyant or lateral deforming soils. This measure will be implemented as a condition of the Pacific Cement Lease.

G.15, G.16, G.17 These three measures, which originated in the WLUP FEIR, set forth requirements for analyzing any dewatering plans that may be necessary during site construction, including any pile driving; minimizing dewatering hazards; and posting of bonds or equivalent mechanism to cover the costs of potential damage from construction to off-site property. These measures will be implemented as a condition of the Pacific Cement Lease, as determined to be applicable based on Port building permit of detailed construction plans.

G.18, G.19 These measures, which originated in the WLUP FEIR requires that prior to dewatering or pile driving, the Port provide a minimum 30 day advance notification to property owners within 200 feet of the demolition or excavation, whichever is the first to occur in a construction project. This mitigation measure would minimize damage associated with subsidence by allowing property owners to comment on the activities and document any damage that may occur. This measure was adopted by the Port Commission, as modified, in 1997. The mitigation measure, as presented in the SEIR, includes the approved 1997 modifications, and will be implemented as a condition of the Pacific Cement Lease if dewatering or pile driving will be conducted during project construction.

Archaeological Resources

I.1 This measure requires that an archaeologist be retained to prepare a brief preliminary site-specific evaluation or letter report assessing the archaeological sensitivity of a development site, if the project involves excavation or substantial soil disturbance of greater than four feet in depth. The measure also includes a description of the steps that could be taken, as determined through consultation between the archaeologist and the Environmental Review Officer, if further study is necessary and/or archaeological deposits are discovered. The Bode project would not involve excavation to such depth, which is acknowledged in discussion of Mitigation Measure I.1, unless project construction involves pile driving, in which case this measure will be implemented as a condition of the Pacific Cement Lease.

B. Mitigation Measures Adopted with Modifications as a Condition of the Pacific Cement Lease

The following SEIR mitigation measures are included as a condition in the Pacific Cement Lease, with modifications, with accompanying explanations for the modifications.

Transportation and Air Quality

B.3 Implementation of the Illinois Street Rail and Truck Bridge proposed by the Port would improve operating conditions at Third Street and Cargo Way to acceptable levels of service, and reduce the Project's contribution to significant air quality impacts, compared to conditions without the proposed bridge. Implementation of this measure is dependent on the Port's ability to secure all applicable regulatory approvals for the Bridge, and the remaining funding necessary to cover the cost of construction and installation. The Port's fundraising efforts would be in part met through financial contributions from Pacific Cement Lease, required as a condition of the Pacific Cement Lease. Thus, this measure is adopted in modified form, by providing that Pacific Cement Lease will make a specified contribution toward the cost of construction of the Bridge. However, the contributions from Pacific Cement Lease alone would not realize the construction of the Illinois Bridge.

C.4a To regulate the total quantity of air emissions from the concrete and asphalt industry operations, this measure requires that any lease for concrete or asphalt batching operations on Port property, including Pacific Cement Lease, include a provision setting forth the maximum production volume allowed to ensure that such production level, combined with production levels by other concrete and asphalt batch plant operators with leases on Port property, are consistent with the assumed volumes, and associated transportation and air quality impacts analyzed in the SEIR. The measure also requires the Port to require annual audited accounts of Pacific Cement Lease and any other batch plant operators to be incorporated into an annual report to the Port Commission. The measure also states that any increases above the production levels stipulated in the lease require a lease amendment, which would be subject to further environmental review.

This mitigation measure will be implemented in modified form, as a condition of the Pacific Cement Lease. Rather than assigning a specific, quantified production limit to each concrete or asphalt operator as recommended, the Port will require monthly reporting of the amount of concrete or asphalt that has been produced from all operators, to monitor the overall production volumes generated relative to the levels analyzed in the SEIR. The SEIR analysis assumes concrete production levels of 650,000 cu yds per year in 2003, growing to 850,00 cu.yds. per year in 2015. SEIR assumptions regarding asphalt production levels are 400,000 tons per year in 2003, and 550,000 tons per year in 2015. The monthly concrete or asphalt production reports will be required as a condition of each lease, including the Pacific Cement Lease. Each lease will stipulate that if the overall production levels exceed the levels assumed in the SEIR, all concrete or asphalt operators will be required to halt their operations or be in default of their respective leases. Production levels exceeding the SEIR levels will not be allowed unless further environmental review is completed, which could result in the

implementation of additional required mitigation measures. It is anticipated that the required monthly reporting will facilitate a rational monitoring process by the Port, because the Port will alert the operators if trends suggest that the overall production limits assumed in the SEIR could be exceeded. Such advance knowledge would enable the Port and operators to reduce production, or initiate further environmental review early on to minimize or avoid disruptions in operations.

The concrete and asphalt production levels assumed in the SEIR were used to generate the projections of truck trips, ship calls and rail activity presented in the SEIR analysis, and the associated transportation and air quality impacts. As a result, production volumes monitoring is a tool to monitor transportation and air quality impacts. Concrete and asphalt plant operations both generate impacts from dust, truck trips, rail and ship calls. Asphalt plants also are stationary sources which generate Reactive Organic Gases (ROG) and Nitrogen Oxide (Nox) emissions that are not generated by concrete batch plants. As a result, production volumes of concrete plant operators (and the associated transportation and air quality impacts) could exceed the concrete production levels assumed in the SEIR if there is a commensurate reduction in asphalt production, without exceeding the overall production volumes and impacts assumed in the SEIR. Conversely, asphalt plant operations could not exceed the asphalt production levels assumed in the SEIR if the associated ROG and Nox emissions from the plant operations would exceed the levels analyzed in the SEIR.

Hydrology

D.3 This measure requires that stormwater runoff from new or redeveloped facilities located outside the City's combined sewer system provide treatment so that there is no direct, untreated discharge to the Bay or Islais Creek. This measure is modified to clarify that the runoff will be treated prior to discharge as needed to meet water quality objectives for stormwater, and that there will be no direct, untreated discharge of stormwater exceeding water quality objectives to the Bay or Islais Creek. The measure, as modified, will be implemented as a condition of the Pacific Cement Lease.

Hazards

E.2a This measure contains a discussion of site mitigation report requirements to comply with Article 22A, "Analyzing the Soil for Hazardous Wastes". It acknowledges that Pacific Cement Lease is subject to Article 22A and has obtained an approved site mitigation report. This measure requires that Bode cap the site with asphalt or concrete as recommended in the report, and provide the San Francisco Public Health Department with certification and maintenance reports to ensure regulatory compliance. The measure then proceeds to discuss Article 22A –related requirements for other projects. This mitigation measure is adopted, as modified, to include only the mitigation text that is applicable to the Pacific Cement Lease.

Geology, Soils, and Seismicity

G.3 This measure calls for high-occupancy facilities to store emergency response supplies and equipment on-site for a 72-hour reserve. This measure focusses on facilities that employ large numbers of workers, or attracts large numbers of visitors, and suggests that medical supplies such as stretchers, loud speakers and heavy tools be stored on-site in addition to blankets, flashlights and at least 72 hours' worth of potable water and non-parishable food

supply. The Pacific Cement Lease is neither a high employment generator nor a visitor attraction. Nevertheless, a 72 hour supply of potable water, food and basic medical supplies and tools should be stored to meet the needs of its employees. This measure, therefore, will be implemented in a modified, scaled down form as a condition of the Pacific Cement Lease.

C. Mitigation Measures Within the Jurisdiction of Other City Agencies

The Port Commission finds that the mitigation measure set out below, as it appears in the SEIR falls within the jurisdiction of the Department of Parking and Traffic (DPT). The Commission determines that such measure should be carried out by DPT or MUNI at the appropriate time, and can and should be adopted by DPT. The Port has reviewed SEIR Mitigation Measure B.1 below with staff of the DPT and MUNI, which determined that these signal and traffic improvements appear to be feasible. The Secretary of the Port Commission is hereby directed to transmit copies of these measures to DPT.

Transportation

B.1 This mitigation measure identifies various roadway and signalization improvements to improve levels of service projected to occur by the year 2015 (but after 2003) at the following intersections during the a.m and/or p.m. peak hour: Third/25th Streets; Illinois/25th Streets; Pennsylvania/I-280 (Southbound) on-ramp; Pennsylvania/Cesar Chavez Streets; Third/Cesar Chavez Streets; Illinois/Cesar Chavez Streets, and Amador Street/Cargo Way. New signals called for in these mitigation measures for the intersections of Illinois/25th Streets, Illinois/Cesar Chavez Streets, and the restriped eastbound and westbound lanes at Illinois/Cesar Chavez to provide the suggested land reconfigurations will be implemented as part of the MUNI Third Street Light Rail project. The signal improvement at Amador Street/Cargo Way would be implemented by the Port as part of the construction of the Illinois Rail and Truck Bridge. The Port has consulted with MUNI and DPT regarding the feasibility of the remaining improvements described in this mitigation measure. At this time, there is no secured funding for the signal installation at Pennsylvania/I-280 SB or right-of-way acquisition to accommodate the lane configuration proposed for Third and Cesar Chavez. In addition, the final configuration of the 3rd/25th Street intersection regarding the left-turn lane will require further discussion with DPT, MUNI and Planning Department. While it is not possible to determine definitively at this time whether these measures will be implemented if they are required by development, the measures appear to be feasible. As a result, the Port Commission recommends that the Department of Parking and Traffic implement the remaining improvements described in this measure, as modified, to clarify that these measures be carried out by DPT only if future traffic analysis indicates the need for the roadway or signalized remedies described in this mitigation measure. Furthermore, the Port Commission recommends that the Port work in close coordination with DPT, MUNI and the Planning Department to ensure that the intersection improvements at 3rd/25th Streets, and 3rd/Cesar Chavez Streets balance and optimize maritime, MUNI light rail as well as vehicular circulation. The Commission also acknowledges that the Port may be required to share in the capital cost of implementing those mitigation measures that are not carried out as part of the Third Street Light Rail or Illinois Truck and Rail Bridge projects, if it is demonstrated that Port-related development generates significant contributions to unacceptable levels of service

at Third/25th Sts., Pennysylvania/I-280 SF on-ramp, Pennsylvania/Cesar Chavez St, or Third/Cesar Chavez Streets.

D. Mitigation Measures Rejected and the Reasons for Rejection

Chapter IV, Section J of the SEIR. (pp. 161 – 164) is entitled "Measures From the 1997 Waterfront Plan FEIR Not Applicable to the Project Analyzed in this SEIR". They include Transportation; Visual Quality; Geology, Soils and Seismicity measures that pertain to Port property north of the Project Area. As a result, these measures are rejected as inapplicable to the Southern Waterfront projects, including the Pacific Cement Lease.

In addition, the Port Commission finds that certain of the SEIR mitigation measures are not applicable to the uses or activities proposed in the Pacific Cement Lease, and thus are rejected. Each mitigation measure is followed by a statement of the reasons why it is rejected.

Transportation

B.2 This measure requires the Port to develop a Transportation Systems Management (TSM) Plan, and potentially a Transportation Management Agency (TMA) at such time as specific mixed use or other non-industrial projects generating more than 100 daily vehicle trips are approved and occupied at the Pier 70 Mixed Use Opportunity Area and the Pier 90-94 backlands. Neither the use program nor site locations are consistent with the Pacific Cement Lease. Therefore this measure is rejected because it is not applicable.

B.5 This measure requires the Port to require and/or institute Transportation Demand Management Programs (TDM) among developers of major trip generators, as a condition of lease approval, for projects such as new development at the Pier 70 and 90-94 backlands. The TDM would typically target primarily commute trips and would encourage carpools, vanpools and public transit use to reduce trips made by low-occupant private vehicles. The vehicle operations and employee trips associated with the Pacific Cement Lease would not reflect the travel conditions that this measure seeks to mitigate. The majority of daily trips projected in the SEIR from Bode operations would be trucks (453 trucks in 2015), which are not conducive to ridesharing. In addition, the SEIR projects 30 employee vehicle trips, of which only seven trips are projected to occur in each of the a.m. and p.m. peak hours. This low volume of employee trips would not render a successful TDM. For the reasons described, this measure is rejected as non-applicable to the Pacific Cement Lease.

Air Quality

C.2 This measure requires drum mixer controls in asphalt batch plants, a product which is not proposed in the Pacific Cement Lease, and which is therefore rejected as non-applicable.

C.4 This measure requires the Port to develop a Transportation Systems Management (TSM) Plan and potentially a Transportation Management Agency (TMA) at such time as specific mixed-use or other non-industrial projects generating more than 100 daily vehicle trips are approved and occupied at the Pier 70 Mixed-Use Opportunity Area and the Pier 90-94 backlands. Neither of these types of developments or site are included in the Pacific

Cement Lease. Therefore, this measure is rejected as non-applicable to the Pacific Cement Lease.

Hydrology

D.5 This measure requires sponsors of projects located on or adjacent to the Bay to include contractor's construction specifications to minimize effects on water quality. Construction of the new Pacific Cement concrete plant is not located on or along the water's edge; it is located approximately 200 feet inland. Therefore, this measure is rejected as non-applicable to the Pacific Cement Lease.

Hazards

E.4 This measure requires hazardous building material surveys for listed contaminants be conducted prior to any development involving the demolition or renovation of existing facilities. There are no existing built facilities on the Bode site and thus no proposed demolition or renovation. Thus, this measure is rejected as non-applicable to the Pacific Cement Lease.

Biological Resources

F.1a, F.1b Both these measures establish conditions under which dredging could be limited to avoid impacts on the Pacific herring fishery. There is no dredging proposed as part of the Pacific Cement Lease. Accordingly, these two measures are not applicable and are thus rejected.

F.2 This measure requires bat surveys during specified times of the year prior to demolition or renovation of any abandoned building. The Pacific Cement Lease site is vacant, and thus this measure is rejected as being non-applicable.

Geology, Soils and Seismicity

G.7 This measure requires tenants to prepare earthquake preparedness and response plans for uses with more than 100 employees, and public uses accommodating more than 100 persons. Neither of these conditions applies to Pacific Cement Lease, and therefore this measure is rejected as non-applicable.

G.20 This measure calls for proposed new dredging activities be reviewed by an engineering geologist to assess potential hazards to Port facilities. There is no dredging proposed in the Pacific Cement Lease, and therefore this measure is rejected as non-applicable.

G.21 This measure requires that sites of all demolished buildings be left in a condition that will not pose a life safety hazard or potential to damage adjacent properties. There is no demolition proposed in the Pacific Cement Lease, and therefore this measure is rejected as non-applicable.

Historic Architectural Resources

H.1 This measure calls for review by a qualified historic prservation architect for proposed renovation plans for Building 6 at Pier 70 prior to issuance of any demolition or building

permit for reuse of the building. The Pacific Cement Lease does not include this or any buildings in the Pier 70 area. Therefore, this measure is rejected as non-applicable.

E. Adoption of a Mitigation Monitoring and Reporting Program

The Port Commission hereby adopts a Mitigation Monitoring and Reporting Program (MMRP) as required by Section 21081.6 of the Public Resources Code. The MMRP is attached as Exhibit 2 and incorporated in this document by reference. The purpose of the MMRP is to determine the stage at which each of the adopted mitigation measures must be imposed to ensure that the measure is carried out by the responsible official or entity, or if the obligation lies with a private entity, that the City enforces the obligation.

Pacific Cement and the Port will implement the majority of the mitigation measures. Pacific Cement will implement most of the measures as a condition of its lease, with the Port enforcing the lease conditions. The Port will have responsibility for implementing other measures as part of its implementation of the Waterfront Land Use Plan. The Port Commission in 1997 previously adopted most of these measures, some of which have been implemented, as described above. The Department of Parking and Traffic will implement intersection improvements identified in measure B.1.

V: FINDINGS REGARDING ALTERNATIVES IN THE SEIR

As described in Section III above, the SEIR encompasses a broad range of activities. The SEIR analysis evaluates proposed, site-specific leases and Port improvement projects; and possible future development or uses that could emerge in response to changes in market conditions, and Port planning and development efforts underway (e.g. Pier 70 Mixed Use Opportunity Area, Pier 90-94 Backlands). The Pacific Cement Company Lease is the only proposed use that is being considered for approval by the Port Commission in these findings.

As a result, these findings focus on the Commission's consideration of the environmental impact information in the SEIR and SEIR Addendum, dated *[confirm]*June 19, 2001 relevant to the concrete plant operations proposed in the Pacific Cement Lease. Pursuant to CEQA Guidelines, these Findings must consider, and adopt or reject the alternatives analyzed in the SEIR. As indicated above in Section III and discussed further below, the SEIR Project and the SEIR alternatives consider overall development scenarios in the Southern Waterfront area. They do not focus specifically on the concrete production use proposed in the Pacific Cement Lease. Development proposals for uses other than the Pacific Cement Lease, other "Industry Group" uses, the Illinois truck and rail bridge, or the Port's dredged materials storage facility would be subject to separate, future CEQA Findings and actions by the Commission and applicable regulatory agencies. As a result, the Commission's careful consideration and rejection of the SEIR alternatives, as explained below, is based on its consideration only of the proposed Pacific Cement Lease. These Findings do not attempt to assess the overall merits or shortcomings of the SEIR Alternatives as compared to the SEIR Project, or those of

other individual leases or activities that may be considered for approval by the Commission in the future.

A. Reasons for Selecting the Pacific Cement Lease as described in the SEIR Project

After consideration of all the information in the SEIR, the Port Commission selects the Pacific Cement Lease, as described in the SEIR Project Description. The proposed concrete batch operation would generate a demand for dry bulk aggregates shipped through the Port's terminals, thereby helping to maintain or enhance the Port's cargo and maritime commerce objectives pursuant to its Burton Act public trust responsibilities. In addition, the Pacific Cement Lease would meet other related Port objectives as stated in the SEIR. These objectives and the aspects of the Pacific Cement Lease that will further these objectives are described below.

- Diversify the Port's marketing efforts to increase utilization of its cargo terminals. The Pacific Cement Lease will foster an increase in marine terminal import of aggregates for the concrete plant, thereby increasing the productivity of Port assets.

  In addition, the location of a concrete batch plant facility at Pier 92 would enhance the viability of dry bulk cargo shipping at Piers 92 and 94. In 2000, the Port Commission approved a marine terminal agreement with Hanson Aggregates to operate a portion of the Pier 94 terminal for dry bulk aggregate shipments from Canada. While Pier 92 and some of the Port's facilities have been in use as terminals for sand that is reclaimed from the Bay, its attractiveness as a dry bulk terminal for imported aggregates is a relatively new development. In large part, it is due to the high number of major construction and transportation projects in or near San Francisco; diminishing local supply of aggregate materials used in concrete and asphalt production; and the increasingly costly constraints of the region's congested highways on truck transport, which have increased the commercial viability of ship and freight rail transport.

  The location of aggregate-based businesses such as Pacific Cement Lease's concrete batch plant would establish a stable source of demand to maintain and increase dry bulk shipping through the Port's terminals. By increasing the viability of dry bulk cargo, the Port will achieve a more diversified cargo portfolio that is less dependent on, or negatively impacted by, the often volatile changes the Port has experienced in marketing its facilities for container cargo business. Like the stock market, the Port will be better able to stabilize the its cargo revenues if it diversifies its container and non-container shipping contracts.

- Increase utilization of freight rail. The co-location of businesses like Pacific Cement near the Port's terminals could increase demand and service by freight rail, which in turn would enhance the Port's attractiveness and service to cargo customers who require or value freight rail service to Port facilities.

Although Pacific Cement was not a proposed lessee identified in the SEIR, the use is similar to several potential facilities identified as part of the Industry Group in the SEIR. The

Industry Group identified several objectives for the proposed leases. The Pacific Cement Lease, as proposed for approval, would also best achieve the Industry Group's Objectives identified in the SEIR as explained below.

- Retain existing operations within San Francisco to allow continuing provision of ready-mix concrete in close proximity to sources of demand, and to avoid potential increased transportation costs and impacts that would result if Pacific Cement had to relocate outside the City. Pacific Cement currently operates a ready-mix concrete plant on Port property north of the proposed plant site, on the former Western Pacific site north of Pier 80. Pacific Cement must relocate because its current site is scheduled for development as part of the MUNI's metro East Maintenance and Storage Facility for light rail vehicles. Few sites exist within San Francisco for industrial operations of this nature. The proposed lease will allow Pacific Cement to maintain its ready-mix concrete plant in San Francisco.

- Facilitate ship-borne import of construction materials. The Pacific Cement Lease provides for use of the Port's terminals for the importation of aggregate used in the production of concrete.

- Co-locate in proximity to aggregate imports at the Port to achieve maximum efficiency in import, distribution, and handling of construction aggregates. The Pacific Cement Lease provides for marine import of aggregate adjacent to the ready-mix concrete plant, thus reducing the number and distance of truck trips and their associated impacts.

- Retain existing employment in San Francisco, including residents in the southeast part of the City. The relocation of the current Pacific Cement ready-mix concrete plant within San Francisco, will allow retention of about 45 employees, which currently includes about 10 who reside in the southeast part of San Francisco.

B. Alternatives Rejected and Reasons for Rejection

1. Alternative A: No Project Alternative

The No Project Alternative is rejected because it would not allow any concrete production operations in the Southern Waterfront. As such, the No Project Alternative would not meet the Port or Project Sponsor objectives described above.

While dry bulk shipping terminals could occur under the No Project Alternative, this alternative precludes the ability of the Port to locate aggregate-based businesses such as Pacific Cement Lease, which would establish a stable source of demand to maintain and increase dry bulk shipping through the Port's terminals.

2. Alternative B: Reduced-Scale Alternative

Alternative B assumes that concrete production operations, such as proposed in the Pacific Cement Lease, will occur on Port property, although with lower production levels than assumed in the Project. In this alternative, concrete production would be kept to the levels

assumed in the SEIR's year 2003 analysis. This limit on production volume would be counter to the objectives of Pacific Cement Lease, which seeks a lease term potentially extending to 2026 and thus the higher production capability, assumed in the SEIR's 2015 analysis. The higher production levels are necessary to enable Pacific Cement the flexibility, within the confines of the SEIR analysis, to respond to potential growth in demand for concrete over the long term. The concrete industry is subject to occasional, unanticipated spikes in demand, such as experienced in the past three years when concrete consumption has reached unprecedented levels. Demand for concrete is expected to stay strong for the next few years at least, in light of large, nearby public infrastructure projects planned for implementation such as the new Bay Bridge east span, and MUNI's Third Street Light Rail project. In addition, changes in construction economics and technologies present the potential for constructing new buildings with a higher percentage of concrete content than in the past. Traditionally limited to foundations and building floors, today concrete also is being used in the structural framing of new buildings, reducing the amount of steel needed and thus construction costs. The Port Commission finds that limiting production 2003 levels would not allow the flexibility needed to respnd to market fluctuations that may at times exceed 2003 estimated demand.

Alternative B also would not respond to the Port's objectives of maximizing cargo business through its terminals. The location of Pacific Cement's concrete batch plant on Port property secures cargo business better than concrete plants located elsewhere in or outside of San Francisco, because ship, barge, and freight rail transport options are directly available and thus more likely to be utilized. If market demand for concrete exceeds the levels assumed in the SEIR's 2003 analysis, the excess demand most likely would be absorbed by other concrete companies that would rely exclusively on truck transportation. This not only would mean a missed cargo business opportunity for the Port, it would also mean higher volumes of trucks -- and thus congestion and air emission levels -- on City streets and highways.

For the reasons stated above, the Port Commission rejects Alternative B.

3. Alternative C: Residential Use Future Scenario Alternative

Alternative C is the same as the SEIR Project, except that it assumes residential use in the mix of uses assumed in the Pier 70 Opportunity Site. As a result, it has no bearing on or applicability to the proposed Pacific Cement site or operation.

VI: SIGNIFICANT ADVERSE ENVIRONMENTAL IMPACTS

The SEIR Project and Pacific Cement Lease include many aspects and features that reduce or eliminate environmental impacts that could be otherwise significant. Nonetheless, the uses analyzed in the SEIR, which includes the concrete production activity proposed in the Pacific Cement Lease, would result in significant, unmitigable traffic congestion at selected local intersections. The Project also would result in total Project emissions of criteria air pollutants on a region-wide basis that would exceed Bay Area Air Quality Management District project-

specific thresholds and would therefore be considered significant and unmitigable, and would contribute to potentially significant cumulative air emissions from existing (unquantified) and possible future (unknown) sources in the greater site vicinity.

Specifically, traffic congestion at four intersections would not be mitigable with the addition of traffic from both phases of the proposed project in 2015. These intersections are:

- Mariposa Street/I-280 southbound on-ramp (LOS Fin a.m. peak hour; LOS E in p.m.peak hour);
- Mariposa Street/I-280 northbound off-ramp (LOS F in a.m. peak hour; LOS E in p.m. peak hour);
- Third/Mariposa Streets (LOS E in a.m. and p.m. peak hours) and
- Evans Avenue/Cesar Chavez Street (LOS E in a.m. peak hour).

Project-generated maximum daily emissions of reactive organic gases (ROG), nitrogen dioxide (Nox), and respirable particulates (PM-10) from all project components combined would exceed the significance threshold of 80 pounds per day in both 2003 and 2015. The significant threshold for annual emissions of 15 tons per year would also be exceeded for Rog and Nox in each year. Therefore, the project would result in a significant effect with regard to emissions of criteria pollutants. This significant impact would occur regionally, and would not be directly reflective of local conditions in the immediate vicinity of the project. (As discussed in the local air quality analysis on P. 89, localized emissions concentrations would not be significant). This significant regional impact cannot be reduced to a less-than-significant level because of the magnitude of the project.

The project would also contribute to a potentially significant cumulative regional impact on air quality because daily and annual volumes of criteria pollutants would exceed Bay Area Air Quality Management District (and SEIR) project –specific significance thresholds as described above. Locally, cumulative PM-10 and diesel particulate cannot be quantified because of the multitude of existing sources. Therefore, to be conservative, these emissions are deemed cumulatively significant, although the project itself would not have a significant effect with regard to local concentrations of PM-10 or diesel particulate.

The significant, unavoidable impacts listed in the SEIR and recited above assume implementation by the Port and other City agencies of the mitigation measures recommended for adoption as set forth above, to reduce potentially significant impacts. The Port Commission has made a determination that these measures can and should be implemented and in so determining, has found that the measures are feasible and implementable through the Pacific Cement Lease approvals, existing Port programs implementing the Waterfront Land Use Plan, and normal operations of the Department of Parking and Traffic. In addition, the Port Commission has taken responsibility for securing funding and approvals to implement the Illinois Street Bridge, a mitigation measure identified in this SEIR.

However, to the extent that the mitigation measure within the jurisdiction of the Department of Parking and Traffic is not adopted, or the Illinois Street Rail and Truck Bridge cannot be fully funded or constructed by the Port, the following additional significant impacts could

occur, depending on the nature of the mitigation measures that are not implemented: additional and increased traffic congestion impacts at the intersections of Third and Cargo Way (in year 2003 and 2015); Third and 25th Streets (in year 2015); Pennsylvania/I-280 SB on-ramp (in 2015); Third and Cesar Chavez Streets (in 2015); Illinois and Cesar Chavez Streets (in 2015); and Amador Street and Cargo Way (in 2015); and air quality. There are no specific, feasible mitigation measures available other than those identified in the SEIR, to reduce these impacts to a level of insignificance.

For the reasons stated above, the Port Commission finds that the Pacific Cement Lease incorporates all feasible mitigation measures and has eliminated or substantially lessened all significant effects on the environment where feasible. The remaining effects listed above are found by the Port Commission to be acceptable due to the overriding considerations set forth below.

VII: STATEMENT OF OVERRIDING CONSIDERATIONS

The Port Commission finds that the following social, economic, technological and other considerations and benefits warrant approval of the Pacific Cement Lease notwithstanding any remaining unavoidable or unmitigated effects to which it would contribute. The Commission finds that each of the overriding considerations set forth below constitutes a separate and independent basis for finding that benefits of the Pacific Cement Lease outweigh the unavoidable adverse environmental effects, and is an overriding consideration that warrants approval of the Pacific Cement Lease. In addition, the Port Commission finds that the Alternatives and Mitigation Measures applicable to the Pacific Cement Lease that are either partially or totally rejected also are rejected for the following economic, social or other considerations, in and of themselves, in addition to the specific reasons discussed above. These matters are supported by evidence in the record that includes, but is not limited to, the documents referenced in Article II.

1. The Pacific Cement Lease will support and strengthen the Port's cargo business. The Pacific Cement Lease is an industrial use that is compatible with existing ongoing cargo activities at Piers 92, and 94-96. Bode will become a valuable Port maritime industrial customer because it will create an on-site market demand for vessel or rail shipments of raw materials. Pacific Cement's operations will support the Port's maritime operations in one or more of the following ways: 1) as a direct customer of shipping companies that import dry bulk/aggregate through the Port's terminals; 2) as a direct cargo customer to the Port; and 3) as a business that relies on or benefits from continued increased freight rail service to the Port. The Port's current dry bulk operators are Hanson Aggregates, which operates a sand facility and will soon open an aggregate import operation on the Pier 94 terminal; and Mission Valley Rock, which operates a sand facility at Pier 92. Pacific Cement can serve as an important customer for these existing operations. Pacific Cement can also act as a direct cargo customer to the Port by receiving aggregates from other sources by barge. In addition, Pacific Cement would increase the number and critical mass of businesses that rely on or could benefit from continued or increased freight rail service to the Port, which in turn

would improve the utility of the Port's terminals and facilities and thus enhance the Port's cargo marketing efforts.

2. The Pacific Cement Lease incorporates state-of-the–art environmental mitigations. Pacific Cement will improve existing conditions by installing site improvements that preclude any storm water discharge that exceeds water quality objectives. The site improvements and new plant facilities include numerous dust control measures to minimize stationary and mobile source-generated particulate emissions, including complete enclosure of the concrete manufacturing system, wheel wash facilities, spray bars to maintain moisture content of raw materials, and installations of barriers and/or enclosures to reduce dust emissions dispersed by the wind. Because of the mitigation measures that would be implemented under its lease, Pacific Cement's operation itself would not generate any significant adverse environmental effects.

3. Pacific Cement Lease is an existing San Francisco business, that employs 45 workers, currently including 10 residents from the southeast area of the City. The Port Commission believes it is important to preserve local business and employment opportunities, especially for industrial businesses that have an increasingly difficult task of maintaining economically viable operations in San Francisco. Skyrocketing real estate prices generated by competing, non-industrial development, have severely reduced the amount of available, affordable industrial land in San Francisco. Pacific Cement must relocate because its current site is scheduled for development as part of MUNI's Metro East Maintenance and Storage Facility for light rail vehicles. Pacific Cement has few site options in San Francisco, and could face relocation outside of San Francisco if it cannot relocate to the Pier 92 area. These facts, combined with the maritime commerce benefits that Pacific Cement could bring to the Port as described in Section VII, Item 1 above, point to the merits of approving the Pacific Cement Lease, because of the mutual benefits that would be generated for the Port and Pacific Cement.

Planning/oshima/southern waterfront/southern waterfront seir/11

EXHIBIT 1

SEIR MITIGATION MEASURES REQUIRED AS CONDITIONS OF THE PACIFIC CEMENT LEASE

The following contains the full text of the Southern Waterfront Supplemental EIR (SEIR) mitigation measures, which, unless otherwise explained in the CEQA findings, are required as conditions of the Pacific Cement Lease (approved by Port Commission Resolution 01-49, June 26, 2001). Some of the SEIR mitigation measures are required under the Pacific Cement Lease in modified form, which are shown with additions underlined and ~~deletions struck through~~.

B. TRANSPORTATION

B.3 The Illinois Street bridge that is proposed by the Port would improve operating conditions at Third Street and Cargo Way to an acceptable level of service (LOS C in the a.m. peak hour and LOS D in the p.m. peak hour), compared to conditions without the proposed bridge. This mitigation measure will be implemented in part by financial contributions towards the construction cost of the Bridge provided as a condition of the Pacific Cement Lease.

C. AIR QUALITY

Measure B.3, above, would reduce but not eliminate the project's contribution to potentially significant air quality impacts. The mitigation measures in this section would further reduce but not eliminate the project's contribution to potentially significant air quality impacts.

C.1 Each of the Industry Group construction aggregate industry project components, which would represent "stationary sources" of particulate emissions, shall include "best available control technology" (BACT) to control emissions, consistent with current regulations. For aggregate-handling operations (Bode Gravel, Mission Valley Rock, RMC Pacific, British Pacific Aggregates), this includes maintaining a moisture content in the aggregate that is high enough to eliminate PM-10 "fugitive" emissions (wind-blown dust that could otherwise escape into the surrounding air). A water spray system shall be installed at each aggregate-handling facility, including Bode Gravel, Mission Valley Rock, RMC Pacific, and British Pacific Aggregates. Fine aggregate material (sand) shall be maintained with a moisture content of approximately 5 percent, because such material with a moisture content of 4.5 percent or more produces virtually no fugitive emissions. Coarse aggregate (gravel) shall be kept damp on the surface, which would also effectively eliminate fugitive dust. Aggregate shall be stored in bunkers at ready-mix and asphalt plants, rather than open piles, with water spray (including the use of surfactants, as necessary, to bind the water and dust to the aggregate) applied to maintain adequate moisture content to control emissions at both production and shipping/storage operations. ISG Resources, which would handle fly ash, a finer, more powdery material than aggregate, shall install BACT dust collection equipment to accommodate truck and rail transport and shall use pneumatic equipment to control dust emissions during the transfer of fly ash.

C.3 Consistent with the City's Clean Air Program (established by Ordinance 258-99, adopted October 15, 1999), it is City policy to "foster, promote, and encourage the use of low emission [alternative fuel vehicles] and [zero emission vehicles] by developing infrastructures to support the use of these vehicles." Under the ordinance, the City is to (1) assess the need for a network of natural gas fueling stations accessible to the public; (2) site and develop at least five such facilities,

by public and/or private entities; (3) install 50 publicly accessible electric vehicle charging stations in City garages, lots, or other sites; (4) develop a plan for additional charging stations and related infrastructure; (5) buy and lease ultra-low and zero emission vehicles for City department use; (6) identify and convert diesel bus lines to electric service; (7) develop a plan to phase out older diesel buses; (8) develop a plan and incentives to encourage larger private vehicle fleets to convert their fleets to very low or zero emission vehicles; and (9) develop a car sharing program in high density neighborhoods.

Consistent with the City's Clean Air Program, the Port shall require that all tenants make a good faith effort to engage in operational practices sensitive to the environment and the neighboring community. In furtherance of this, the Port shall require that tenants operating a fleet of vehicles investigate the potential for use of low- or zero emission vehicles and implement measures to reduce vehicle emissions to the maximum feasible extent. Options may include, but not necessarily be limited to, the use of low-emission diesel fuel (including low-sulfur diesel); the use of catalytic particulate traps for diesel-powered engines that are currently under study by the California Air Resources Board; the use of other emerging technologies to reduce diesel particulate emissions; and use of electric vehicles. The Port shall also require that tenants operating diesel-powered stationary equipment investigate similar options. Tenants shall investigate retrofitting existing engines and purchase of new engines. The Port shall further require that tenants who work with independent trucking contractors encourage those contractors to make similar efforts, including, if reasonably feasible, providing such truckers with economic incentives to retrofit equipment or take other measures as may be necessary to use low-emission fuels. As an economic incentive to minimize diesel emissions from Port property, the Port shall contribute towards the incremental costs incurred by its tenants for Port-approved equipment and improvements in furtherance of this measure. Finally, the Port shall establish a schedule by which tenants described above shall report to the Port on progress in investigating reduced-emission engines.

C.4A To regulate the production of concrete or asphalt material consistent with the volumes analyzed in the Southern Waterfront SEIR, Pacific Cement Lease and any other lease for concrete or asphalt batching operations on Port property shall include a provision ~~setting forth the maximum production volume allowed under the lease~~ requiring monthly reports to the Port of the amount of concrete or asphalt produced for the prior month, to enable the Port to monitor the overall amount of concrete and asphalt production levels such that the cumulative total of production volumes of such batching operation leases shall not exceed the volumes assumed and analyzed in the SEIR.

~~To monitor production volumes that may occur on Port property, the Port shall require as a condition of each lease that each tenant provide annually an audited account of the concrete and/or asphalt production volumes provided by each concrete or asphalt production business. The Port shall incorporate this information in an annual report to the Port Commission.~~

~~Should any existing tenants propose to increase production above the amounts stipulated in the lease, such change would require an amendment to the lease, and would be subject to further environmental review by the San Francisco Planning Department's Major Environmental Assessment (MEA) division.~~ If the cumulative total of production volumes of the concrete and/or asphalt batch plants exceed the levels assumed in the SEIR, the Port will order all such batch plant operations to be halted. Refusal to comply with the Port's order to halt will place the tenant in default of the lease. Overall production levels shall be reduced to volumes consistent with the SEIR analysis. Alternatively, if production levels higher than those assumed in the SEIR are proposed, such increased activity will be subject to additional environmental review by the San Francisco Planning Department's Major Environmental Assessment (MEA) division, and all

feasible mitigation measures implemented prior to the Port's allowance of the increased production activity. In determining whether further environmental impact analysis will be required, MEA will consider the production levels cited in the Port's report and any emission-reducing improvements that may have been incorporated into the on-site operations (stationary sources), and trucks and other vehicles associated with the operations (mobile sources).

C.5 The Port shall require that project sponsors direct construction contractors to implement a dust abatement program to reduce the contribution of project construction to local PM-10 concentrations. Elements of this program, which is currently applied to all Port tenants, include the following:

- Water internal roadways and unpaved construction areas just prior to the morning and evening peak traffic periods (to limit the potential for major roadway traffic to entrain dust), limit speeds to 10 mph, and sweep paved internal roads after the evening peak period.
- In addition, water active sites (e.g., where demolition, excavation or other earth work is underway) at least twice per day. Increase the frequency of watering when wind speeds exceed 15 miles per hour. Suspend all excavating and grading operation when instantaneous gusts exceed 25 miles per hour.
- Replace ground cover in disturbed areas as quickly as possible.
- Enclose, cover, water twice daily, or apply soil binders to exposed stockpiles of sand, gravel, and dirt.
- Install gravel at construction equipment entrances to unpaved areas to prevent tracking of dirt and mud onto streets.
- Sweep paved access roads, parking areas, and construction staging areas, at the end of day (with water sweepers), and sweep adjacent City streets if any visible soil material is carried over to these streets.
- Cover all trucks hauling dirt, sand, soil, or other loose materials. Maintain at least six inches of freeboard between the top of the load and the top of the trailer.
- Sweep up dirt or debris spilled onto paved surfaces immediately to reduce resuspension of particulate matter through vehicle movement over these surfaces.
- Designate a person or persons to oversee the implementation of a comprehensive dust control program and to increase watering, as necessary.
- Maintain and operate construction equipment so as to minimize particulates from exhaust emissions. During construction, require contractors to operate trucks and equipment only when necessary. Equipment should be kept in good condition and well-tuned, to minimize exhaust emissions.

Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsor shall require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose.

This mitigation measure also would reduce demolition-related impacts regarding lead paint chips/lead dust. The project sponsor shall also be required to comply with Chapter 36 of the San Francisco Building Code, Work Practices for Exterior Lead-Based Paint, enforced by the San Francisco Department of Building Inspection.

C.6 Consistent with the construction-period dust abatement program described in Mitigation Measure C.5, the Port shall require that Industry Group components and other aggregate-related tenants employ dust abatement procedures including, but not necessarily limited to, the following:

- installation and operation of truck wheel-washing systems at the plant exits;
- daily street sweeping on streets surrounding aggregate-related facilities; and
- clearly posting on the exterior wall or fence of such facilities a company telephone number for citizens to call with dust, noise, or other operational complaints, and designation of a Port staff contact for same.

No other feasible mitigation measures have been identified that would reduce the project's total regional emissions to a level below Bay Area Air Quality Management District thresholds, or eliminate the project's contribution to potentially significant cumulative impacts from all existing (unquantified) and future (unknown) emissions sources.

D. HYDROLOGY

D.1 For construction sites of less than five acres of disturbed area, the contractors shall be required to prepare and implement a Storm Water Pollution Prevention Plan (SWPPP) similar to that required under the statewide General Permit for Storm Water Discharges Associated with Construction Activity. The SWPPP would include site-specific information to identify and evaluate sources of pollutants associated with industrial activities and to identify and implement site-specific best management practices to reduce or prevent pollutants associated with industrial activities in stormwater discharges. Best management practices may be non-structural (e.g., activity schedules, maintenance procedures, prohibitions of practices) or structural (e.g., treatment measures, runoff controls, overhead coverage). Elements of the SWPPP shall include the following:

- measures for erosion and sediment controls
- methods for construction waste handling and disposal, and
- post-construction erosion and sediment control requirements.

D.2 To minimize the potential for water quality degradation from stormwater runoff, the Port shall require that all tenants and developers, including interim lessees such as the Industry Group members, implement source control Best Management Practices consistent with those identified in the Industrial / Commercial Storm Water Best Management Practices Handbook (Stormwater Quality Task Force, 1993). Measures shall include, but are not limited to, the following (some of which are proposed as part of one or more Industry Group components):

- prohibiting discharge of process water to storm drains or otherwise directly to the Bay or Islais Creek;
- separating stormwater from process water, such as concrete truck washout water and truck wash water, through the use of berms and other features, and ensuring that treated stormwater

to be discharged to the Bay meets applicable permit and regulatory standards, including pH (acidity or akalinity);

- for Industry Group components that would use water in dust control, creation of settling basins or similar features that would allow sediment to be removed from water prior to reuse and/or discharge;
- daily street sweeping of surrounding streets and, for facilities that operate on unpaved surfaces, installation and operation of truck wheel-washing systems at aggregate-related plants;
- employing appropriate containment measures for fuel, asphalt cement, and other hazardous materials stored on-site, to capture potential spills (including at on-site fueling areas);
- installing and maintaining grease and sediment traps at vehicle maintenance and washing areas to prevent contaminated runoff from entering the storm drains or Bay;
- installation of sediment containment systems around outdoor aggregate storage facilities to limit sediment entering stormwater runoff, and covering such storage areas if feasible to limit stormwater infiltration;
- creation of a designated wash-out area for concrete trucks to prevent concrete slurry from reaching the Bay; and
- cover any open conveyors in use over the Bay (i.e., between piers and ships and barges) to minimize the potential for direct sediment spill to the Bay.

D.3 As part of permit and lease requirements for future Port development projects, runoff from stormwater at new or re-developed facilities located outside of the City's combined sewer system shall be, at a minimum, subject to appropriate treatment such as on-site oil/water separators and/or sediment traps, depending on the nature of the pollutants that may be in the runoff, so that stormwater runoff is treated prior to discharge as needed to meet water quality objectives, and that there is no direct, untreated discharge exceeding water quality objectives to the Bay or Islais Creek. Stormwater runoff from future Port development sites shall not be directed to the City's combined system, as originally contemplated in the Waterfront Plan EIR, and the volume of stormwater flows from the project area to the City's combined sewer system shall remain the same as at present, unless the increased flow to the combined system would result in no additional volume of combined sewer overflows.

D.4 Sponsors of individual project components, including members of the Industry Group, shall be required to implement appropriate Best Management Practices for stormwater pollution prevention throughout the life of each lease and shall be required to monitor stormwater quality in accordance with the requirement of the statewide General Permit for Discharge of Industrial Stormwater.

E. HAZARDS

E.1 Accidental Release of Hazardous Materials or Petroleum Products

In accordance with the Hazardous Materials Ordinance, the sponsor of each Industry Group or Port project component shall ensure that a Hazardous Materials Business Plan is prepared for each of the project components involving the use of petroleum products or hazardous materials. The plan would specify methods for handling and storage of these including containment, site layouts, and emergency response and notification procedures for a spill or release.

The project sponsor(s) shall ensure that a Spill Control and Countermeasure Plan is prepared for any project involving the aboveground storage of petroleum products. The plan would include

requirements for appropriate spill containment or equipment to divert spills from sensitive areas, a discussion of facility-specific requirements for the storage system, inspections and a record keeping system, security for the system, and personnel training. The project sponsor(s) would also comply with the state requirement that above-ground storage tanks subject to federal regulations are registered with the Regional Water Quality Control Board.

E.2 Hazardous Materials in Soil

E.2a Because the Pacific Cement concrete batch plant projects would be constructed bayward of the historic high tide line and would involve the excavation of at least 50 cubic yards of soil, the sponsors of those components shall ensure that the contractors comply with the requirements of Article 22A, "Analyzing the Soil for Hazardous Wastes." In accordance with the approved site mitigation report for Pacific Cement's concrete batch plant ~~this project component~~, the site would be capped with an asphalt or concrete slab and structures. Upon completion of capping, a certification report would be prepared to document construction activities and a maintenance report would be prepared specifying procedures to be followed to control exposure to the subsurface soil following construction of the proposed project. These reports would be submitted to the San Francisco Department of Public Health for review and approval to ensure regulatory compliance.

~~For any other Industry Group or Port sponsored project components for which Article 22A would apply (including the Illinois Street bridge, if applicable), a site history report, soil investigation, and soil analysis report would be completed to identify potential hazardous materials at this site.~~

~~If indicated by the results of the soil investigation, the project sponsor would ensure that the contractors for each project prepare a Site Mitigation Report in compliance with Article 22A if warranted by the levels of hazardous materials identified in the soil. The plan would include measures for the handling of soil produced during excavation, to control dust and runoff during construction, and to characterize soil for off-site disposal purposes. Upon completion of construction, the project sponsor would ensure that the construction contractors prepare a certification report certifying that either (1) no hazardous wastes present in the soil present an unacceptable risk and that no mitigations are required; or (2) all mitigation measures specified in the site mitigation report have been completed and that completion of the mitigation measures has been verified through follow up sampling and analysis, if required. All reports would be submitted to the San Francisco Department of Public Health (DPH) for review and approval to ensure regulatory compliance.~~

~~The project sponsor shall prepare and submit to DPH a site specific Safety and Health Plan (SHP) that would address worker safety concerns resulting from potential contaminants on the site. The SHP would include provisions for responding to unknown hazardous materials site conditions that could be encountered during construction.~~

~~If the soil investigation demonstrates that hazardous wastes present in the soil could be at levels that pose an unacceptable health risk, the project sponsor would ensure that appropriate site investigations and risk evaluations are performed to evaluate potential human health risks related to any hazardous substances left in the soil or groundwater after completion of construction. The investigations, risk evaluations, and any required remedial actions would be implemented under the oversight of the appropriate regulatory agency(ies) to ensure compliance with applicable laws and that the public health and safety are protected.~~

E.2b For all projects where subsurface contamination is identified, the project sponsor ~~would~~ shall ensure that from the time that ground surfaces are exposed until the time that all remedial activities have been completed, a fence is erected around the area where chemicals have been identified in the soil and site access is restricted to necessary personnel. Warning signs prohibiting access by the

general public onto the project site ~~would~~ shall be posted at all construction access points. Access ~~would~~ shall be limited to authorized personnel only.

Dust-control measures applicable for air quality impacts would also minimize the potential public health impact associated with dust emissions and air quality pollutants. (See also Air Quality Mitigation Measures.)

G. GEOLOGY, SOILS, AND SEISMICITY

G.1 A geotechnical investigation ~~should~~ shall be conducted under the direction of a Geotechnical Engineer prior to permitting any new construction, ~~including construction of the proposed Illinois Street bridge,~~ or reuse of an existing structure for new uses that could increase the load of the structure ~~so as to~~ if such construction triggers the requirements of Section 3403.6 of the San Francisco Building Code. The investigation ~~should~~ shall be performed to evaluate subsurface conditions and existing foundation conditions at the site. The geotechnical investigation ~~should~~ shall evaluate the potential hazards such as settlement, ground shaking, ground rupture, liquefaction, subsidence, slope stability, and lateral spreading. Recommendations to mitigate geologic hazards ~~should~~ shall be made to the project's structural engineer regarding the design of new foundations, upgrading of existing foundations, seismic design, and mitigation of geologic hazards. *(1997 WLUP FEIR Measure I-1)*

G.2 To minimize hazards to building occupants from non-structural damage, the Port ~~should~~ shall require all Port facilities and tenants to carry out the following measures at a minimum: heavy objects ~~should~~ shall be attached to secure walls and floors, and light, loose objects ~~should~~ shall be placed to minimize their potential to move or overturn; large storage containers ~~should~~ shall not be loosely stacked, and those stored on shelves ~~should~~ shall have appropriate restraints or other means to prevent them from tipping or sliding off the shelves.

Heavy objects like freezers, boilers, chillers, laboratory equipment, battery racks and electrical transformers, heavy storage cabinets, tanks, safes, oversize file cabinets, etc., ~~should~~ shall be firmly secured to floors and walls to prevent their falling or sliding. All equipment using natural gas ~~should~~ shall be anchored. Care ~~should~~ shall be taken to avoid placement of such objects where they could topple or move and block exit doors. *(1997 WLUP FEIR Measure I-7b)*

G.3 ~~Because of the large number of employees and visitors in some facilities potentially on-site in an earthquake and the likelihood that the facilities will be needed to supply emergency response services, high-occupancy facilities should be required to store emergency response supplies and equipment on-site for a 72-hour reserve.~~

It is likely that emergency response systems in San Francisco and in the Bay Area as a whole would be overloaded in the immediate aftermath of a large earthquake. ~~Because of the large population that may be present in the Project Area in an earthquake (especially under Alternatives A and B),~~ Accordingly, it likely would be necessary for offices, hotels, industrial facilities and residents to be relatively self-sufficient for a period of a day or two until supply systems can be restored. Observations from large earthquakes, such as Mexico City in 1985 and Kobe in 1995, confirm that most supply services for water, power, food and medical supplies would be unavailable for a minimum of 72 hours after the earthquake. For this reason, ~~medical supplies needed for common earthquake injuries, stretchers, blankets, flashlights and~~ Pacific Cement shall be required to retain at least 72 hours' potable water and non-perishable food supply, ~~should be~~ stored at easily accessible locations. ~~in offices, business complexes, hotels and large residential structures. Heavy crow-bars, other heavy tools, and hand-operated loudspeakers should be kept in easily accessible and well-marked locations in every building and in large parking structures.~~ *(1997 WLUP FEIR Measure I-7c)*

G.4 Non-structural interior elements (ceilings, partitions, light fixtures, HVAC, pipes, etc.) ~~should~~ shall be designed to withstand strong ground shaking and remain intact. This would be accomplished, for example, by selecting lightweight materials and firmly securing them to structural elements of the building and by using flexible connections for pipes. *(1997 WLUP FEIR Measure I-7d)*

G.5 Require the use of flexible utility connections and fasten water heaters to walls. Require the installation of automatic shut-off valves in all natural gas pipelines and provide similar emergency shut-off valves for other gas (oxygen and nitrogen) systems or as otherwise required by the San Francisco Fire Department or the Port fire marshal. Do not install automatic shut-off valves for water supplies. Require the posting of room/building layout diagrams that indicate the location of shut-off valves for natural gas. *(1997 WLUP FEIR Measure I-7e)*

G.6 Require fire extinguishers in all rooms and hallways and adjacent to all exit doors (including stairwell exits), as required by the San Francisco Fire Code. Require that cabinets are not placed where they could overturn and block access to fire extinguishers. Require the training of all staff of offices, hotels, industrial facilities, restaurants and entertainment complexes in the use of fire extinguishers. *(1997 WLUP FEIR Measure I-7f)*

G.8 The Port ~~should~~ shall take feasible steps to minimize potential earthquake safety risks related to hazardous materials in its operations and that of its tenants.

Specific steps may include appropriate seismic safety provisions, such as prohibiting the storage of hazardous materials in containers above head level (about five feet); anchoring hazardous materials shelves and heavy equipment to walls and floors; constructing heavy doors that are designed to remain shut during earthquake vibrations; providing hand-operable closures for vents and air ducts; and other provisions as discussed in the Association of Bay Area Governments' *Hazardous Material Problems in Earthquakes: A Guide to Their Cause and Mitigation*. Other measures ~~should~~ shall be implemented as recommended by the San Francisco Fire Department and/or Health Department. Additionally, The Port has prepared an Emergency Procedures Manual for Port operations and periodically revise it to be consistent with changes in the facilities and operations. Tenants who use or store hazardous materials are required by the local Hazardous Materials Ordinance to develop a hazardous materials Business Plan, which includes emergency procedures. *(1997 WLUP FEIR Measure I-8a)*

G.9 The Port ~~should~~ shall require tenants to design all facilities for storage of hazardous chemicals in containers, such as cabinets, shelves, and drawers, to minimize potential hazards in an earthquake, in accordance with Fire Department and/or Health Department requirements.

Storage facilities ~~should~~ shall include safety lips to contain spills and to reduce the likelihood of contents falling. All shelves and cabinets ~~should~~ shall be secured to a wall or ceiling. All cabinets and drawers ~~should~~ shall be provided with positive latches that would not open during earthquake motions and vibrations. Compressed gas cylinders, including empty ones, ~~should~~ shall be secured to fixed features. Gas cylinders ~~should~~ shall be secured at two locations along their vertical axis, one in the top one-third of the cylinder and another in the bottom third of the cylinder.

The Port ~~should~~ shall require storage of hazardous chemicals in approved containers and separation of incompatible chemicals in separate storage areas. If chemical storage is vented by an electric fan, an alternative (emergency) means of ventilation ~~should~~ shall be provided, which may be a mechanical (non-powered) vent. *(1997 WLUP FEIR Measure I-8b)*

Implementation of Measures G.9 and G.10 would reduce hazardous materials-related non-structural safety hazards of an earthquake to an acceptable level of risk.

G.10 Project sponsors, including the Port, ~~should~~ shall employ an engineer qualified in earthquake engineering to incorporate into the final design of individual facilities developed under the WLUP

all economically feasible engineering methods to reduce the potential for loss of life-line services. This may include methods to improve unstable ground conditions, to strengthen infrastructure to be more resistant to earthquake induced ground movements, and to organize and prepare for earthquake response. While specialized techniques for ground improvement to reduce liquefaction hazards likely are not practical or economically feasible over large areas, ground improvements within selected strategic sites may result in substantial hazard reduction to utility systems. In such areas a variety of ground stabilization techniques may be considered, such as compaction grouting, placement of stone columns, and deep soil mixing. *(1997 WLUP FEIR Measure I-9a, Revised)*

G.11 For individual development projects, the use of flexible connections for utility lines may be needed (see Mitigation Measure G.7). Back-up supplies of water, power generators, and battery-operated telecommunications equipment may need to be installed (or enlarged at the existing facilities). The engineer ~~should~~ shall recommend the appropriate approach (e.g., separate facilities and equipment or upgrading existing facilities) for all Project Area facilities. *(1997 WLUP FEIR Measure I-9b)*

G-14 All open sub-grade structures and pits, whether temporary or permanent, ~~should~~ shall be provided with protection against damage resulting from adjustment to buoyant and lateral deforming soils.

All construction and design of such projects ~~should~~ shall provide specific measures to prevent hazards to people and damage to proposed or nearby structures that could result from these adjustments. In some cases, a specific geotechnical investigation may be required for permanent open sub-grade structures and open underground structures. *(1997 WLUP FEIR Measure I-2)*

G-15 Prior to any construction that would require dewatering, the applicant ~~should~~ shall submit and the Port ~~should~~ shall review a dewatering and excavation plan and an analysis of potential impact to adjacent properties to determine whether the potential exists to damage off-site property.

As a standard practice, the Port ~~should~~ shall require an application package that will indicate the amount of dewatering and the period over which dewatering may be required. The package shall ~~should~~ include a survey of adjacent structures with information concerning their age, foundation type, construction type, status as a historic landmark or structure of special significance, and record of any existing damage. The package shall ~~should~~ also identify adjacent City streets, the location of buried infrastructure, and an evaluation of groundwater quality, flow patterns, and disposal. In addition, the application ~~should~~ shall indicate any specific mitigation measures incorporated into the project to minimize hazards to structures and groundwater. *(1997 WLUP FEIR Measure I-3a)*

G-16 To minimize dewatering hazards, construction projects ~~should~~ shall provide shoring of all excavation pit walls, and provide supports to adjacent structures, including foundation support if needed. *(1997 WLUP FEIR Measure I-3b)*

G-17 All applicants for construction projects involving dewatering (as well as vibration-inducing pile driving) ~~should~~ shall post a surety bond or other equivalent mechanism to cover the costs of potential damage to off-site property from construction. (The bond is included in this EIR as a mitigation measure because of the uncertainty that other mitigation measures would protect off-site property from damage. If needed, the bond would be used to repair off-site damage and thus mitigate that impact.) The amount of the bond ~~would~~ will be determined by the Port. *(1997 WLUP FEIR Measure I-3c)*

G-18 Prior to any construction that would require dewatering or pile driving, the Port ~~should~~ shall notify all property owners within 200 feet of the proposed construction activity at least 30 days prior to the date of initiating demolition or excavation, whichever is the first activity to occur. The Port ~~should~~ shall provide an opportunity for all property owners to comment on the construction activity

and allow them the opportunity to have their property photo-documented for its pre-construction condition. The Port is responsible for inspection of construction activities and should note any observations of proven or suspected subsidence damage on the site and at adjacent sites. This measure would allow adjacent property owners to document the condition of their property prior to initiation of an activity that could result in damage. If damage does occur, the measure would help to identify the extent of the damage caused by construction within the Project Area. *(1997 WLUP FEIR Measure I-3d)*

G-19 For impacts from pile driving, the Port and project sponsors should implement Measures G-16 through G-19. *(1997 WLUP FEIR Measure I-4)*

I. ARCHAEOLOGICAL RESOURCES

I.1. Given the possibility that subsurface archaeological resources exist in the Southern Waterfront project area, yet the inherent uncertainty about the specific locations and scope of such buried resources, the Port or sponsor of individual future project(s), as determined by the Port, shall retain an archaeologist as early as is practical in the site selection or schematic design stage of future development project(s) that would involve excavation or other substantial soil disturbance of greater than four feet in depth. The archaeologist would prepare a brief preliminary site-specific evaluation or letter report, based on existing archival report information, assessing the archaeological sensitivity of the specific site(s) under consideration relative to the scope of excavation proposed. The archaeologist would consider the history of fill soils on the site(s) in the assessment of the potential for significant archaeological resources to exist and be disturbed or destroyed by the contemplated project, and make recommendations on subsequent actions designed to ensure the protection of potentially significant resources.

Based on the initial site-specific report, the archaeologist and the Environmental Review Officer (ERO) would determine whether a more detailed site assessment is warranted, the results of which could include an appropriate course of action necessary to minimize the disturbance to significant archaeological resources, and/or maximize information recovery where such disturbance cannot be avoided. Depending on the expected sensitivity of the area to be excavated, this could include a program of pre-construction testing, excavation monitoring, or both. If the ERO concurs with a preliminary evaluation determining that a project site has no potential to contain significant archaeological resources that could be impacted by a proposed development (which may commonly occur in the areas of recent fill or disturbance, such as most of the waterfront south of China Basin), then this measure would be satisfied and archaeological issues would no longer be a concern for that particular development project.

If, based on the likelihood of encountering significant archaeological resources as identified in the site assessment report(s), the archaeologist and the ERO determine that pre-construction testing is warranted to better determine the probability of finding cultural remains, the sponsor would retain the services of an archaeologist familiar with prehistoric and urban historical archaeology, and San Francisco specifically. The archaeologist would carry out a pre-excavation testing program using a series of mechanical, exploratory borings or trenches and/or other testing methods determined by the archaeologist and the ERO to be appropriate.

If, after testing, the archaeologist determines that no further investigations or precautions are necessary to safeguard potentially significant archaeological resources, the archaeologist would submit a written report to the ERO, with a copy to the project sponsor. If the archaeologist determines that further investigations or precautions are necessary, he/she should consult with the

ERO and they should jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources.

These additional mitigation measures would be implemented by the project sponsor and might include a program of on-site monitoring of all site excavation, during which the archaeologist would record observations in a permanent log. The monitoring program, whether or not there are finds of significance, would result in a written report to be submitted first and directly to the ERO, with a copy to the project sponsor. During the monitoring program, the project sponsor would designate one individual on site as his/her representative. This representative would have the authority to direct and suspend work at the site to give the archaeologist time to investigate and evaluate archaeological resources should they be encountered.

Should evidence of cultural resources of potential significance be found during the monitoring program, the archaeologist would immediately notify the ERO, and the project sponsor would halt any activities which the archaeologist and the ERO jointly determine could damage such cultural resources. Ground-disturbing activities which might damage cultural resources would be suspended for a total maximum of four weeks over the course of construction.

If prehistoric archaeological deposits are fortuitously discovered, the California Native American Heritage Commission in Sacramento and local Native American organizations should be consulted and involved in making resource management decisions. All applicable legal requirements concerning the treatment of cultural materials and Native American burials should be enforced.

After notifying the ERO, the archaeologist would prepare a written report to be submitted first and directly to the ERO, with a copy to the project sponsor, which would contain an assessment of the potential significance of the find and recommendations for what measures should be implemented to minimize potential effects on archaeological resources. Based on this report, the ERO would recommend specific additional mitigation measures to be implemented by the project sponsor. These additional mitigation measures might include a site security program, additional on-site investigations by the archaeologist, and/or documentation, preservation, and recovery of cultural material.

Finally, the archaeologist would prepare a report documenting the cultural resources that were discovered, an evaluation as to their significance, and a description as to how any archaeological testing, exploration and/or recovery program was conducted.

Copies of all draft reports prepared according to this mitigation measure would be sent first and directly to the ERO for review. Following approval by the ERO, copies of the final report would be sent to the President of the Landmarks Preservation Advisory Board and the California Historical Resources Information System Northwest Information Center. Three copies of the final archaeology report(s) shall be submitted to the Office of Major Environmental Analysis of the Planning Department, accompanied by copies of the transmittals documenting its distribution to the President of the Landmarks Preservation Advisory Board and the California Archaeological Site Survey Northwest Information Center. *(1997 WLUP FEIR Measure O-1b)*

Based on the descriptions of the Industry Group project components and the proposed Illinois Street bridge, minimal excavation would be required, and none of these project components would appear to have the potential to disturb subsurface cultural resources, should such resources be present at a particular project component site. Measure I.1 above would apply, however, to future Port development.

REFERENCES – Mitigation Measures

Stormwater Quality Task Force, *Industrial/Commercial Best Management Practices Handbook*, prepared by Camp Dresser & McKee, et. al., March 1993.

Planning/oshima/southern waterfront/southern waterfront SEIR/6

EXHIBIT 2
PORT OF SAN FRANCISCO – PACIFIC CEMENT LEASE
MITIGATION MEASURE MONITORING PROGRAM

Exhibit to Pacific Cement Lease CEQA Findings, adopted by Port Commission Resolution 01-49, June 26, 2001

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
B. Transportation					
B.1 To mitigate 2015 conditions, monitor traffic level of service (LOS) conditions at the intersections listed below in Table 23. At such time as warranted by traffic conditions (i.e., a degradation of the p.m. peak-hour service level to an unacceptable LOS E or F), institute the identified improvements or implement another measure determined at that time to be adequate to mitigate the degradation in level of service. Third/25th : Restripe the east- and westbound approaches to provide left-turn lanes; revise signal timing to provide protected east- and westbound left-turn phases. (2015 a.m. pk. hr. LOS would improve from D to C; 2015 p.m. pk. hr. LOS would improve from F to D) Illinois/25th: Install traffic signal (2015 a.m. pk. hr LOS would improve from B (C) to B; 2015 p.m. pk. hr. LOS would improve from F to A) Pennsylvania/I-280 SB on-ramp: Install traffic signal (2015 a.m. pk. hr. LOS improves from B (C) to B; 2015 p.m. pk. hr. LOS improves from LOS F to B) Third/Cesar Chavez: Add a second northbound left-turn lane and an additional lane in each direction to the western approach on César Chávez Street. (This would require the acquisition of additional right-of-way on Third Street at the southeast corner of the intersection, where there is an existing building.) (2015 a.m. pk. hr. LOS improves from F to D; 2015 p.m. pk.hr LOS improves from F to D) Illinois/Cesar Chavez: Install traffic signal; Restripe the northbound and southbound approaches to provide left-turn lanes and shared right-through lanes; Restripe the eastbound and westbound approaches to provide a shared left-through lane and a shared through-right lane. (2015 a.m. pk. hr LOS improves from F to D; 2015 p.m. pk. hr. LOS improves from F to B) Amador/Cargo: Install traffic signal; Restripe the southbound Amador Way approach to provide a left-turn lane, a shared left-through lane, and a right-turn lane (2015 a.m. pk. hr. LOS improves from F to C; 2015 p.m. pk. hr. improves from F to B)	Dept. of Parking & Traffic (DPT), MUNI, Port	New signals at Illinois/25th Sts, Illinois/Cesar Chavez Sts, and the restriped eastbound and westbound lanes at Illinois/Cesar Chavez will be implemented as part of the MUNI Third Street Light Rail project. A new signal at Amador St/Cargo Way will be implemented by the Port as part of the Illinois Street Rail and Truck Bridge (if approved). For the rest of the mitigation improvements described, the Port Commission will recommend to DPT that these measures be implemented, if traffic conditions in the future reach the LOS cited in the SEIR. If traffic analysis determines that congestion levels are attributable to Port development,	When level of service is anticipated to degrade to an unacceptable level as a result of Port or other development project	Major Environmental Assessment (MEA) of the Planning Dept to notify DPT and project sponsors if environmental analysis for development projects will result in LOS E or F.	Signal and lane improvements, as described (or equivalent), have been implemented.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
		Port may be required to contribute funding to implement mitigation measures.			
B.3 The Illinois Street bridge that is proposed by the Port would improve operating conditions at Third Street and Cargo Way to an acceptable level of service (LOS C in the a.m. peak hour and LOS D in the p.m. peak hour), compared to conditions without the proposed bridge. Pacific Cement will make financial contribution of [$____] towards implementation of the Bridge.	Port	Port requires contribution as a condition of Bode Lease	Contribution due prior to commencement of Pacific Cement lease	Pacific Cement provide contribution funds to Port	Port Accounting Dept confirm receipt of funds.
B.4 The Port shall comply with requests from the Major Environmental Analysis section of the Planning Department to analyze intersection levels of service for existing and future conditions at intersections that may reasonably be expected to be affected by each future development project, and shall identify and implement appropriate mitigation measures. Any such transportation analysis will be coordinated with monitoring of the Congestion Management Program network, conducted biennially by the San Francisco County Transportation Authority. Within the WLUP Project Area, a number of intersecting streets (César Chávez, and Evans west of Third) are included on the CMP network. The Authority would conduct monitoring activities along these facilities. Degradation of the Level of Service for one or more individual intersections within an arterial segment, to Level of Service "F" or to below some other designation deemed to be acceptable, could also degrade the segment Level of Service. The degree of impact to the segment may not be sufficient for the Transportation Authority to identify a "deficiency" under the CMP process (Level of Service "F" for the entire segment), even though the Port or City could impose mitigation requirements for developers of projects that would have a significant impact on individual intersections. Based on the transportation analysis for this EIR, cumulative development along the Waterfront might cause degradation of a particular segment of the CMP network to fall to "F," thereby triggering a finding of deficiency requiring formulation of a Deficiency Plan, and implementation of that Plan under the CMP processes identified by the Transportation Authority. The Authority could, in this circumstance, identify the Port as the lead agency for development of the Deficiency Plan and for implementation of any corrective measures, which would result in the Port taking direct responsibility or requiring sponsors of specific development projects that contribute to cumulative congestion to	Planning Dept. Major Environmental Assessment (MEA) and Port	MEA requests traffic analysis on specified intersections in project area	During environmental analysis, prior to project approval	MEA reports findings to Port, project sponsor, including any additional proposed mitigation measures	When traffic analysis and feasible mitigation measures are implemented.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
participate in improvement and mitigation measures. *(also cited in 1997 WLUP FEIR, Measure D.4)*					
C. Air Quality					
C.1 Pacific Cement, which would represent a "stationary source" of particulate emissions, shall include "best available control technology" (BACT) to control emissions, consistent with current regulations. For aggregate-handling operations, this includes maintaining a moisture content in the aggregate that is high enough to eliminate PM-10 "fugitive" emissions (wind-blown dust that could otherwise escape into the surrounding air). A water spray system shall be installed at Pacific Cement's facility at Pier 92. Fine aggregate material (sand) shall be maintained with a moisture content of approximately 5 percent, because such material with a moisture content of 4.5 percent or more produces virtually no fugitive emissions. Coarse aggregate (gravel) shall be kept damp on the surface, which would also effectively eliminate fugitive dust. Aggregate shall be stored in bunkers, rather than open piles, with water spray (including the use of surfactants, as necessary, to bind the water and dust to the aggregate) applied to maintain adequate moisture content to control emissions at both production and shipping/storage operations.	Pacific Cement	Pacific Cement provides Port with a list of BACT measures, drawings or other documentation to show siting for bunkers and water source to maintain specified moisture content	When plant is completed, prior to opening of operations.	Pacific Cement to implement the Port's dust mitigation monitoring program, under the direction of the Port's Environmental staff, which includes third party monitoring of compliance with this mitigation measure	When bunkers and spray equipment is installed and used; monitoring of compliance will be an ongoing task, under the Port's direction.
C.3 Consistent with the City's Clean Air Program, the Port shall require that all tenants make a good faith effort to engage in operational practices sensitive to the environment and the neighboring community. In furtherance of this, the Port shall require that tenants operating a fleet of vehicles investigate the potential for use of low- or zero emission vehicles and implement measures to reduce vehicle emissions to the maximum feasible extent. Options may include, but not necessarily be limited to, the use of low-emission diesel fuel (including low-sulfur diesel); the use of catalytic particulate traps for diesel-powered engines that are currently under study by the California Air Resources Board; the use of other emerging technologies to reduce diesel particulate emissions; and use of electric vehicles. The Port shall also require that tenants operating diesel-powered stationary equipment investigate similar options. Tenants shall investigate retrofitting existing engines and purchase of new engines. The Port shall further require that tenants who work with independent trucking contractors encourage those contractors to make similar efforts, including, if reasonably feasible, providing such truckers with economic incentives to retrofit equipment or take other measures as may be necessary to use low-emission fuels. As an economic incentive to minimize diesel emissions from Port property, the Port shall contribute towards the incremental costs incurred by its tenants for Port-approved equipment and improvements in furtherance of this measure. Finally, the Port shall establish a schedule by which	Pacific Cement	Pacific Cement to provide monthly reports to the Port, including description of good faith efforts or measures to reduce diesel emissions from Pacific Cement plant or vehicles, or outside truckers with whom they do business.	Monthly reports	Pacific Cement submits reports to Port	Year 2006, when Federal diesel emission regulations become effective.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/L Completed
tenants described above shall report to the Port on progress in investigating reduced-emission engines.					
C.4a To regulate the production of concrete or asphalt material consistent with the volumes analyzed in the Southern Waterfront SEIR, the Pacific Cement Lease shall include a provision requiring monthly reports to the Port of the amount of concrete produced for the prior month, to enable the Port to monitor the overall amount of concrete Bode and other concrete operators produce, such that the cumulative total of production volumes of such batching operation leases shall not exceed the volumes assumed and analyzed in the SEIR.	Pacific Cement and Port	Bode to provide to the Port monthly reporting of the volume of concrete produced; lease provisions requiring the Port to halt operations if overall production volumes assumed and analyzed in the SEIR are exceeded; lease provision requiring implementation of feasible mitigation measures that may be identified as a result of any further environmental review conducted to analyze production volumes in excess of the levels in the SEIR.	Prior to approval of Pacific Cement Lease	Pacific Cement provides monthly report to Port containing audited account of concrete production volumes for the prior month. Port assembles Pacific Cement production data with that from reports for any other concrete production companies, and submits a report of cumulative data to Commission every six months. If Pacific Cement, collectively with other concrete plant operators, exceed the production limit, all operators will be required to reduce production to levels consistent with the SEIR, or be declared in default of their lease, and all production halted. Any individual or collective proposals to increase production volumes will require further environmental review by MEA, and implementation of additional, feasible mitigation measures.	Cumulative production report is submitted to Commission on an ongoing, semi-annual schedule.
C.5 The Port shall require that project sponsors direct construction contractors to implement a dust abatement program to reduce the contribution of project construction to local PM-10 concentrations. Elements of this program, which is currently applied to all Port tenants, include the following: - Water internal roadways and unpaved construction areas just prior to the morning and evening peak traffic periods (to limit the potential for major roadway traffic to entrain dust), limit speeds to 10 mph, and sweep paved internal roads after the evening peak	Pacific Cement and Port	Implement described dust control measures	During construction and Pacific Cement plant operations	Pacific Cement will participate in Port's dust mitigation monitoring program, including providing funding for independent site inspections and monitoring to ensure compliance with mitigation measures.	Construction mitigation measures and monitoring will be completed when construction is completed. Monitoring and inspections of Pacific Cement plant operations will be

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
period. - In addition, water active sites (e.g., where demolition, excavation or other earth work is underway) at least twice per day. Increase the frequency of watering when wind speeds exceed 15 miles per hour. Suspend all excavating and grading operation when instantaneous gusts exceed 25 miles per hour. - Replace ground cover in disturbed areas as quickly as possible. - Enclose, cover, water twice daily, or apply soil binders to exposed stockpiles of sand, gravel, and dirt. - Install gravel at construction equipment entrances to unpaved areas to prevent tracking of dirt and mud onto streets. - Sweep paved access roads, parking areas, and construction staging areas, at the end of day (with water sweepers), and sweep adjacent City streets if any visible soil material is carried over to these streets. - Cover all trucks hauling dirt, sand, soil, or other loose materials. Maintain at least six inches of freeboard between the top of the load and the top of the trailer. - Sweep up dirt or debris spilled onto paved surfaces immediately to reduce resuspension of particulate matter through vehicle movement over these surfaces. - Designate a person or persons to oversee the implementation of a comprehensive dust control program and to increase watering, as necessary. - Maintain and operate construction equipment so as to minimize particulates from exhaust emissions. During construction, require contractors to operate trucks and equipment only when necessary. Equipment should be kept in good condition and well-tuned, to minimize exhaust emissions. - Ordinance 175-91, passed by the Board of Supervisors on May 6, 1991, requires that non-potable water be used for dust control activities. Therefore, the project sponsor shall require that the contractor(s) obtain reclaimed water from the Clean Water Program for this purpose. This mitigation measure also would reduce demolition-related impacts regarding lead paint chips/lead dust. The project sponsor shall also be required to comply with Chapter 36 of the San Francisco Building Code, Work Practices for Exterior Lead-Based Paint, enforced by the San Francisco Department of Building Inspection.					ongoing through the term of the lease.
C.6 Consistent with the construction-period dust abatement program in Measure C.5, the Port shall require that Industry Group components and other aggregate-related tenants employ dust abatement procedures including, but not necessarily limited to, the following: - installation and operation of truck wheel-washing systems at the	Pacific Cement and Port	Implement described dust control measures	During construction and Pacific Cement plant operations	Pacific Cement will participate in Port's dust mitigation monitoring program, including providng funding for independent site	Wheel wash and posting of contact info must be successfully installed/completed prior to opening for

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
plant exits; - daily street sweeping on streets surrounding aggregate-related facilities; and - clearly posting on the exterior wall or fence of such facilities a company telephone number for citizens to call with dust, noise, or other operational complaints, and designation of a Port staff contact for same.				inspections and monitoring to ensure compliance with mitigation measures.	business. Daily street sweeping to be maintained on an ongoing basis.
D. Hydrology					
D.1 For construction sites of less than five acres of disturbed area, the contractors shall be required to prepare and implement a Storm Water Pollution Prevention Plan (SWPPP) similar to that required under the statewide General Permit for Storm Water Discharges Associated with Construction Activity. The SWPPP would include site-specific information to identify and evaluate sources of pollutants associated with industrial activities and to identify and implement site-specific best management practices to reduce or prevent pollutants associated with industrial activities in stormwater discharges. Best management practices may be non-structural (e.g., activity schedules, maintenance procedures, prohibitions of practices) or structural (e.g., treatment measures, runoff controls, overhead coverage). Elements of the SWPPP shall include the following: - measures for erosion and sediment controls - methods for construction waste handling and disposal, andpost-construction erosion and sediment control requirements.	Pacific Cement and Port	Pacific Cement prepares SWPPP, and submits for review by Port and the consultant hired to produce a Southern Waterfront master stormwater plan.	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant facilities	Port	Upon Port confirmation that concrete plant facility completion has met all required standards/criteria in the SWPPP. Monitoring to ensure implementation of required SWPPP stormwater measures would continue through the term of the lease.
D.2 To minimize the potential for water quality degradation from stormwater runoff, the Port shall require that Pacific Cement implement source control Best Management Practices consistent with those identified in the Industrial/Commercial Storm Water Best Management Practices Handbook (Stormwater Quality Task Force, 1993). Measures shall include, but are not limited to, the following: • prohibiting discharge of process water to storm drains or otherwise directly to the Bay or Islais Creek • separating stormwater from process water, such as concrete truck washout water and truck wash waqter, through the use of berms and other features, and ensuring that treated stromwater to be discharged to the Bay meets applicable permit and regulatory standards, including pH • for businesses that use water in dust control, creation of settling basins or similar features that would allow sediment to be removed from water prior to reuse and/.or discharge	Pacific Cement	Pacific Cement implement source control Best Management Practices, in concert with SWPPP	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant facilities	Port	Upon Port confirmation that concrete plant facility completion has met all required standards/criteria in the SWPPP. Monitoring to ensure implementation of required SWPPP stormwater measures would continue through the term of the lease.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/L Completed
• daily street sweeping of surrounding streets and, for facilities that operate on unpaved surfaces, installation and operation of truck wheel-washing systems at aggregate-related plants • employing appropriate containment measures for fuel, asphalt cement, and other hazardous materials stored on-site, to capture potential spills (including on-site fueling areas) • installing and maintaining grease and sediment traps at vehicle maintenance and washing areas to prevent contaminated runoff from entering the storm drains or Bay • installation of sediment containment systems around outdoor aggregate storage facilities to limit sediment entering stormwater runoff, and covering such storage areas if feasible to limit stormwater infiltration • creation of a designated wash-out area for concrete trucks to prevent concrete slurry from reaching the Bay • cover any open conveyors in use over the Bay (i.e. between piers and ships and barges) to minimize the potential for direct sediment spill to the Bay.					
D.3 As part of permit and lease requirements for future Port development projects, runoff from stormwater at new or re-developed facilities located outside of the City's combined sewer system shall be, at a minimum, subject to appropriate treatment such as on-site oil/water separators and/or sediment traps, depending on the nature of the pollutants that may be in the runoff, so that stormwater runoff is treated prior to discharge as needed to meet water quality objectives for stormwater, and that there is no direct, untreated discharge of stormwater exceeding water quality objectives to the Bay or Islais Creek. Stormwater runoff from future Port development sites shall not be directed to the City's combined system, as originally contemplated in the Waterfront Plan EIR, and the volume of stormwater flows from the project area to the City's combined sewer system shall remain the same as at present, unless the increased flow to the combined system would result in no additional volume of combined sewer overflows.	Pacific Cement and Port	Pacific Cement prepares SWPPP, and submits for review by Port and the consultant hired to produce a Southern Waterfront master stormwater plan.	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant facilities	Port	Upon Port confirmation that concrete plant facility completion has met all required standards/criteria in the SWPPP
D.4 Sponsors of individual project components, including members of the Industry Group, shall be required to implement appropriate Best Management Practices for stormwater pollution prevention throughout the life of each lease and shall be required to monitor stormwater quality in accordance with the requirement of the statewide General Permit for Discharge of Industrial Stormwater.	Pacific Cement and Port	Pacific Cement prepares SWPPP, and submits for review by Port and the consultant hired to produce a Southern Waterfront master stormwater plan.	SWPPP review and sign-off by Port and Southern Waterfront stormwater consultant prior to grading or site preparation for installation of concrete plant	Port	Upon confirming that concrete plant facility completion has met all required standards/criteria in the SWPPP. *[Note: Under a separate lease*

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
			facilities		*provision, Bode/ Mission Valley will be required to comply with a Southern Waterfront Storm Water Management Program under development by the Port, which may require the tenant to meet additional stormwater objectives and criteria beyond those required in Measure D.4.], prior to completion of construction.*

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
E. Hazards					
E.1 In accordance with the Hazardous Materials Ordinance, Pacific Cement/Mission Valley shall ensure that a Hazardous Materials Business Plan is prepared for project components involving the use of petroleum products or hazardous materials. The plan would specify methods for handling and storage of these including containment, site layouts, and emergency response and notification procedures for a spill or release. Pacific Cement shall ensure that a Spill Control and Countermeasure Plan is prepared for any aboveground storage of petroleum products. The plan would include requirements for appropriate spill containment or equipment to divert spills from sensitive areas, a discussion of facility-specific requirements for the storage system, inspections and a record keeping system, security for the system, and personnel training. The project sponsor(s) would also comply with the state requirement that above-ground storage tanks subject to federal regulations are registered with the Regional Water Quality Control Board.	Pacific Cement and Port	Pacific Cement prepares Hazardous Materials Business Plan for any use of petroleum products or hazardous materials, and a Spill Control Plan if there are any above-ground storage of petroleum products.	Plan(s) to be completed and on file with the Port prior to opening for business	Port	Once Plan(s) are determined by the Port to be complete and on file, prior to opening for business.
E.2a Because the Pacific Cement project would be constructed bayward of the historic high tide line and would involve the excavation of at least 50 cubic yards of soil, the sponsors of those components shall ensure that the contractors comply with the requirements of Article 22A, "Analyzing the Soil for Hazardous Wastes." In accordance with the approved site mitigation report for the Pacific Cement Lease, the site would be capped with an asphalt or concrete slab and structures. Upon completion of capping, a certification report would be prepared to document construction activities and a maintenance report would be prepared specifying procedures to be followed to control exposure to the subsurface soil following construction of the proposed project. These reports would be submitted to the San Francisco Department of Public Health for review and approval to ensure regulatory compliance.	Pacific Cement and Dept of Public Health (DPH)	Pacific Cement completes work, certification report and maintenance report, and submits them to DPH	Complete certification report subsequent to site capping, prior to construction of facilities; Complete maintenance report following completion of construction.	DPH and Port	Receipt of Maintenance Report within one year of completion of project construction.
E.2b For all projects where subsurface contamination is identified, the project sponsor shall ensure that from the time that ground surfaces are exposed until the time that all remedial activities have been completed, a fence is erected around the area where chemicals have been identified in the soil and site access is restricted to necessary personnel. Warning signs prohibiting access by the general public onto the project site	Pacific Cement and Port	Pacific Cement to provide fencing, warning signs and access restrictions	Prior to site grading, preparation for construction	Pacific Cement to provide written notice of meeting mitigation requirement to the Port	Once fencing, warning signs and access restrictions are in place.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/L Completed
shall be posted at all construction access points. Access shall be limited to authorized personnel only.					
E.3 The Port shall contract for or require that Port tenant(s) contract for disposal of any portion of the soil pile on the Bode and Mission Valley Rock sites at Pier 92 that cannot be reused for construction projects in accordance with applicable waste disposal regulations. Such reuse would also require approval of the San Francisco Department of Public Health.	Port	Port will treat, reuse or remove the soil pile in accordance with all applicable environmental laws and regulations.	To be determined upon completion of assessment of soil piles by San Francisco Dept, of Public Health, in consultation with CA Dept. of Toxic Substances Control	Port to respond pursuant to direction of Dept. of Public Health	As determined by Dept. of Public Health.
G. Geology, Soils, and Seismicity					
G.1 A geotechnical investigation shall be conducted under the direction of a Geotechnical Engineer prior to permitting any new construction, if such construction triggers the requirements of Section 3403.6 of the San Francisco Building Code. The investigation shall be performed to evaluate subsurface conditions and existing foundation conditions at the site. The geotechnical investigation shall evaluate the potential hazards such as settlement, ground shaking, ground rupture, liquefaction, subsidence, slope stability, and lateral spreading. Recommendations to mitigate geologic hazards shall be made to the project's structural engineer regarding the design of new foundations, upgrading of existing foundations, seismic design, and mitigation of geologic hazards. *(1997 FEIR Measure I-1*	Pacific Cement and Port	Pacific Cement to consult geotechnical engineer to review proposed new plant facilities, and incorporate any mitigating recommendations in plans submitted in Port building permit application to comply with Section 3403.6, if determined to be applicable.	Prior to issuance of Port building permit(s) allowing construction of facilities	Pacific Cement and Port Building Inspectors, upon review of Pacific Cement building permit application	Upon completion of construction, incorporating geotechnical recommendations
G.2 To minimize hazards to building occupants from non-structural damage, the Port shall require all tenants to carry out the following measures at a minimum: heavy objects shall be attached to secure walls and floors, and light, loose objects shall be placed to minimize their potential to move or overturn; large storage containers shall not be loosely stacked, and those stored on shelves shall have appropriate restraints or other means to prevent them from tipping or sliding off the shelves. Heavy objects like freezers, boilers, chillers, laboratory equipment, battery racks and electrical transformers, heavy storage cabinets, tanks, safes, oversize file cabinets, etc., shall be firmly secured to floors and walls to prevent their falling or sliding. All equipment using natural gas shall be anchored. Care shall be taken to avoid placement of such objects where they could topple or move and block exit doors. *(1997 FEIR Measure I-7b)*	Pacific Cement	Pacific Cement to submit report, with photos, documenting that items/equipment have been secured.	Prior to opening for business	Pacific Cement to submit report annually, starting on first anniversary of commencement of operations, with photos, documenting that items/equipment have been secured. Alternatively, Port property manager or safety personnel may inspect premises.	Ongoing requirement

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
G.3 Pacific Cement shall maintain on-site a 72 hour supply of potable water, food and basic medical supplies and tools to meet the needs of its employees during earthquakes or emergencies.	Pacific Cement	Provide provisions on-site	Prior to opening for business	Pacific Cement to provide report to Port documenting that it has 72 hour reserve supplies.	Port receipt of report prior to Pacific Cement's opening for business
G.4 Non-structural interior elements (ceilings, partitions, light fixtures, HVAC, pipes, etc.) shall be designed to withstand strong ground shaking and remain intact. This would be accomplished, for example, by selecting lightweight materials and firmly securing them to structural elements of the building and by using flexible connections for pipes. *(1997 FEIR Measure I-7d)*	Pacific Cement	Pacific Cement to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Pacific Cement to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.5 Require the use of flexible utility connections and fasten water heaters to walls. Require the installation of automatic shut-off valves in all natural gas pipelines and provide similar emergency shut-off valves for other gas (oxygen and nitrogen) systems or as otherwise required by the San Francisco Fire Department or the Port fire marshal. Do not install automatic shut-off valves for water supplies. Require the posting of room/building layout diagrams that indicate the location of shut-off valves for natural gas. *(1997 FEIR Measure I-7e)*	Pacific Cement	Pacific Cement to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Pacific Cement to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.6 Require fire extinguishers adjacent to all exit doors (including stairwell exits), as required by the San Francisco Fire Code. Require that cabinets are not placed where they could overturn and block access to fire extinguishers. Require the training of all staff in the use of fire extinguishers. *(1997 FEIR Measure I-7f)*	Pacific Cement	Pacific Cement to include such specifications in their building permit plans submitted to the Port.	Prior to completion of construction of new facilities	Pacific Cement to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.
G.8 The Port shall take feasible steps to minimize potential earthquake safety risks related to hazardous materials in its operations and that of its tenants. Specific steps shall include appropriate seismic safety provisions, such as prohibiting the storage of hazardous materials in containers above head level (about five feet); anchoring hazardous materials shelves and heavy equipment to walls and floors; constructing heavy doors that are designed to remain shut during earthquake vibrations; providing hand-operable closures for vents and air ducts; and other provisions as discussed in the Association of Bay Area Governments' *Hazardous Material Problems in Earthquakes: A Guide to Their Cause and Mitigation*. Other measures shall be implemented as	Pacific Cement	Pacific Cement to submit report, with photos, documenting that items/equipment have been secured	Prior to completion of construction of new facilities	Pacific Cement to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming compliance with applicable mitigation conditions, prior to opening for business.

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
rccommcndcd by the San Francisco Fire Dcpartment and/or Health Dcpartmcnt. Additionally, The Port has prepared an Emergency Proccdurcs Manual for Port opcrations and periodically rcvisc it to be consistent with changes in the facilities and operations. Tenants who use or store hazardous materials are required by the local Hazardous Materials Ordinance to develop a hazardous matcrials Busincss Plan, which includes cmergcncy proccdurcs. *(1997 FEIR Measure I-8a)*					
G.9 The Port shall require tenants to dcsign all facilities for storagc of hazardous chcmicals in containcrs, such as cabincts, shclvcs, and drawers, to minimizc potential hazards in an earthquake, in accordance with Fire Department and/or Hcalth Dcpartment requirements. Storage facilities shall include safety lips to contain spills and to reduce the likelihood of contents falling. All shelves and cabinets shall be secured to a wall or ceiling. All cabinets and drawers shall bc provided with positive latchcs that would not open during earthquakc motions and vibrations. Compressed gas cylinders, including cmpty ones, shall be secured to fixed fcatures. Gas cylinders shall be securcd at two locations along their vcrtical axis, one in the top one-third of thc cylinder and anothcr in thc bottom third of thc cylindcr. The Port shall require storage of hazardous chcmicals in approvcd containers and separation of incompatible chcmicals in separate storage areas. If chemical storage is vented by an electric fan, an alternative (emergency) means of ventilation shall be provided, which may be a mechanical (non-powered) vent. *(1997 FEIR Measure I-8b)*	Pacific Ccment	Pacific Ccmcnt to submit rcport, with photos, documenting that itcms/equipment have been secured	Prior to completion of construction of new facilities	Pacific Cement to provide proof of compliance in a report to the Port leasing or property manager regarding all mitigation conditions that are required to be completed prior to opening for business.	Port leasing or property manager receives completed report confirming complianee with applicable mitigation conditions, prior to opening for business.
G.10 Project sponsors, including the Port, shall employ an cngineer qualified in carthquake engineering to incorporatc into the final design of individual facilities developed under the WLUP all economically feasiblc cngincering methods to reduce thc potcntial for loss of lifc-linc services. This may include mcthods to improvc unstablc ground conditions, to strengthen infrastructure to be more resistant to earthquake induced ground movements, and to organize and prepare for earthquake response. While specialized techniques for ground improvement to reduce liquefaction hazards likely are not practical or economically feasible over large areas, ground improvements within selected strategic sites may result in substantial hazard reduction to utility systems. In such areas a	Pacific Cement	Pacific Cement to include such specifications in their building pcrmit plans submitted to thc Port.	Prior to completion of construction of ncw facilitics	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
variety of ground stabilization techniques may be considered, such as compaction grouting, placement of stone columns, and deep soil mixing. *(1997 FEIR Measure I-9a, Revised)*					
G.11 For individual development projects, the use of flexible connections for utility lines may be needed . Back-up supplies of water, power generators, and battery-operated telecommunications equipment may need to be installed (or enlarged at the existing facilities). The engineer shall recommend the appropriate approach (e.g., separate facilities and equipment or upgrading existing facilities) for all Project Area facilities. *(1997 FEIR Measure I-9b)*		Pacific Cement to include such specifications in their building permit plans submitted to the Port	Prior to completion of construction of new facilities	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy
G.12 The Port shall work in cooperation with the City's Office of Emergency Services (OES), Fire Department and Police Department to plan routes of alternative emergency access to development sites and hospitals following a catastrophe that could affect emergency routes. *(1997 FEIR Measure 1-9c)*	Port	Port works with OES, Fire and Police Depts. to plan emergency access routing	Ongoing	OES	Ongoing
G.13 An inspection schedule shall be developed and followed for regular inspection and evaluation of the condition of the piers. In conjunction with the inspection schedule, a maintenance and repair schedule shall be developed and implemented, coordinated with the Port's Capital Plan. *(1997 FEIR Measure I-10a)*	Port	Conduct inspections and establish maintenance and repair schedule	Regular inspections; repair per schedule	Port	Inspection and repairs continue on an ongoing basis
G-14 All open sub-grade structures and pits, whether temporary or permanent, shall be provided with protection against damage resulting from adjustment to buoyant and lateral deforming soils. All construction and design of such projects shall provide specific measures to prevent hazards to people and damage to proposed or nearby structures that could result from these adjustments. In some cases, a specific geotechnical investigation may be required for permanent open sub-grade structures and open underground structures. *(1997 FEIR Measure I-2)*	Pacific Cement	Pacific Cement to include such specifications in their building permit plans submitted to the Port	Prior to completion of construction of new facilities	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy
G-15 Prior to any construction that would require dewatering, the applicant shall submit and the Port shall review a dewatering and excavation plan and an analysis of potential impact to adjacent properties to determine whether the potential exists to damage off-site property. As a standard practice, the Port shall require an application package that will indicate the amount of dewatering and the period over which dewatering may be required. The package shall include a survey of adjacent structures with information concerning their age, foundation	Pacific Cement	Pacific Cement to hire engineer to determine whether dewatering is required and, if so, include such specifications in their building permit plans submitted to the	Prior to issuance of construction permits	Statement of compliance by project engineer, prior to issuance of certificate of occupancy.	Issuance of certificate of occupancy

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
type, construction type, status as a historic landmark or structure of special significance, and record of any existing damage. The package shall also identify adjacent City streets, the location of buried infrastructure, and an evaluation of groundwater quality, flow patterns, and disposal. In addition, the application shall indicate any specific mitigation measures incorporated into the project to minimize hazards to structures and groundwater. *(1997 FEIR Measure I-3a)* G-16 To minimize dewatering hazards, construction projects shall provide shoring of all excavation pit walls, and provide supports to adjacent structures, including foundation support if needed. *(1997 FEIR Measure I-3b)* G-17 All applicants for construction projects involving dewatering (as well as vibration-inducing pile driving) shall post a surety bond or other equivalent mechanism to cover the costs of potential damage to off-site property from construction. (The bond is included in this EIR as a mitigation measure because of the uncertainty that other mitigation measures would protect off-site property from damage. If needed, the bond would be used to repair off-site damage and thus mitigate that impact.) The amount of the bond will be determined by the Port. *(1997 FEIR Measure I-3c)*		Port			
G-18 Prior to any construction that would require dewatering or pile driving, the Port shall notify all property owners within 200 feet of the proposed construction activity at least 30 days prior to the date of initiating demolition or excavation, whichever is the first activity to occur. The Port shall provide an opportunity for all property owners to comment on the construction activity and allow them the opportunity to have their property photo-documented for its pre-construction condition. The Port is responsible for inspection of construction activities and should note any observations of proven or suspected subsidence damage on the site and at adjacent sites. This measure would allow adjacent property owners to document the condition of their property prior to initiation of an activity that could result in damage. If damage does occur, the measure would help to identify the extent of the damage caused by construction within the Project Area. *(1997 FEIR Measure I-3d)*	Pacific Cement	Pacific Cement to provide a minimum 30 days notice to Port tenants/ property owners within 200 feet of the construction activity.	At least 30 days prior to any dewatering or pile driving construction activity	Pacific Cement to contact Port real estate staff for current mailing list of all Port tenants within 200 feet. Bode to provide Port real estate staff a copy of the written notice, sent at least 30 days in advance of dewatering or pile driving activity.	Port receives copy of notice, confirms it has provided a minimum 30 day comment and response period, and confirms that Pacific Cement or the Port has reasonably responded to any comments received.
I-1 Pacific Cement shall retain an archaeologist to prepare a brief preliminary site-specific evaluation or letter report assessing the archaeological sensitivity of the Pacific Cement Lease site, if the project involves excavation or substantial soil disturbance of greater	Pacific Cement	Retain archaeologist to prepare preliminary site-	At least three months prior to start of construction, to allow sufficient time	Pacific Cement to provide archaeologist's preliminary site-specific evaluation or letter report to ERO for	ERO determination that all applicable requirements of this mitigation measure

Mitigation Measure	Implementation Responsibility	Action Required	Mitigation Schedule	Monitoring/Reporting Responsibility	Status/Date Completed
than four feet in depth, and/or pile driving. Based on the initial site-specific report, the archaeologist and the Environmental Review Officer (ERO) would determine whether a more detailed site assessment is warranted. If the ERO concurs with a preliminary evaluation determining that a project site has no potential to contain significant archaeological resources (which may commonly occur in the areas of recent fill or disturbance, such as most of the waterfront south of China Basin), then this measure would be satisfied. If the archaeologist and ERO determine that pre-construction testing is warranted, Pacific Cement would retain an archaeologist familiar with prehistoric and urban historical archaeology, and San Francisco specifically, to carry out a pre-excavation testing program. If the archaeologist determines that further investigations or precautions are necessary, s/he should consult with the ERO to jointly determine what additional procedures are necessary to minimize potential effects on archaeological resources. Should evidence of cultural resources of potential significance be found during the monitoring program, the archaeologist would immediately notify the ERO, and Pacific Cement would halt any activities which the archaeologist and ERO determined could damage such cultural resources. Ground-disturbing activities which might damage cultural resources would be suspended for a total maximum of four weeks over the course of construction. If prehistoric archaeological deposits are discovered, the California Native American Heritage Commission in Sacramento and local Native American organizations shall be consulted. All applicable legal requirements concerning the treatment of cultural materials and Native American burials shall be enforced. *Please review Measure I-1 in its entirety in the SEIR for further details regarding possible procedures to carry out the above. In addition, SEIR Measures I-1 sets forth procedures for documenting by the archaeologist of any cultural resource discoveries.*		specific evaluation for review by the ERO, if pile driving and/or excavation in excess of four feet will occur	for any additional archaeological analysis to be completed.	review and determination	have been completed.
Planning/oshima/southern waterfront/southern waterfront SEIR/13					

PLANNING DEPARTMENT

City and County of San Francisco 1660 Mission Street, Suite 500 San Francisco, CA 94103-2414

(415) 558-6378 PLANNING COMMISSION FAX: 558-6409 ADMINISTRATION FAX: 558-6426 CURRENT PLANNING/ZONING FAX: 558-6409 LONG RANGE PLANNING FAX: 558-6426

ADDENDUM TO SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT

Date of Certification of Final Supplemental EIR: February 15, 2001

Lead Agency: City and County of San Francisco, Planning Department
1660 Mission Street, 5th Floor, San Francisco, CA 94103

Agency Contact Person: Rick Cooper **Telephone:** (415) 558-5974

Project Title: 1999.377E: San Francisco Southern Waterfront

Project Sponsor: Port of San Francisco and the "Industry Group"

Contact Person: Diane Oshima, Port of San Francisco (415) 274-0553

Project Address: Various, generally Pier 70 south to India Basin and east of Illinois Street
Assessor's Block and Lot: Various
City and County: San Francisco

Remarks:

On February 15, 2001, the San Francisco Planning Commission certified a Final Supplemental Environmental Impact Report (FSEIR) for a series of development proposals in the portion of the Port of San Francisco jurisdiction known as the Southern Waterfront (generally, Pier 70 south to India Basin and east of Illinois Street). Development proposals in the Southern Waterfront consisted of those from various private entities, known as the "Industry Group," most of which are involved in the production, storage or processing of construction materials or their constituents; and a Port-sponsored proposal to construct a rail and truck bridge across Islais Creek to improve access between the Port's major maritime terminals. Potential non-specific future development on other Port lands in the Southern Waterfront was also analyzed in the FSEIR, although there were no such projects proposed at that time, nor are there currently.

(continued on next page)

Based on the evaluation provided in this Addendum, it is concluded that the analyses conducted and the conclusions reached in the San Francisco Southern Waterfront Final Supplemental Environmental Impact Report, certified on February 15, 2001 remain valid and that no supplemental environmental review is required.

Date of Determination:
June 20, 2001

I do hereby certify that the above determination has been made pursuant to State and Local requirements.

PAUL E. MALTZER, Environmental Review Officer

cc: Diane Oshima, Port of San Francisco
Rick Ramirez, Pacific Cement
Distribution List
O. Chavez / Bulletin Board
L. Fernandez / Master Decision File

Remarks: (continued)

Revisions to the project proposal (herein referred to as the "modified project" or "revised project") relate to the Industry Group's concrete and asphalt production volumes, which are the focus of this addendum. As discussed in the FSEIR, the Industry Group at that time consisted of six private entities (one combining two separate companies, or seven operators in total), and each entity proposed leasing portions of the Southern Waterfront area and making improvements on their respective leased sites. The Industry Group consisted of various businesses, each involved in one or more of the following activities: ready-mix concrete production, asphalt production, aggregate (gravel and crushed rock) importation, aggregate storage, and fly ash storage. In addition, the Industry Group included a materials recovery and recycling facility, and a bus storage and maintenance business. With respect to those entities involved in the production of concrete or asphalt, the FSEIR assumed a reasonable level of concrete and asphalt production for the Industry Group as a whole, and analyzed environmental effects, primarily air quality and transportation-related effects, that would result from those levels of production.

Subsequent to the certification of the FSEIR, the Port found that some flexibility in the composition of the Industry Group is desired. Currently, the Port is proposing the addition of another business to the Industry Group, Pacific Cement, involved in concrete production. Pacific Cement is proposed to occupy an approximately three-acre currently unpaved site near Pier 92, on Amador Street. Pacific Cement would construct a concrete batch plant that is fully enclosed. As with other aggregate-related members of the Industry Group, Pacific Cement would be subject to dust control measures identified in FSEIR Mitigation Measure C.1. These measures include maintaining a moisture content in the aggregate that is high enough to eliminate PM-10 "fugitive" emissions (wind-blown dust that could otherwise escape into the surrounding air); installing a water spray system at each aggregate-handling facility; and storing aggregate in bunkers at ready-mix and asphalt plants, rather than open piles, with water spray (including the use of surfactants, as necessary, to bind the water and dust to the aggregate) applied to maintain adequate moisture content to control emissions at both production and shipping/storage operations.

As a result of this modification, the Port of San Francisco believes that, for practical purposes, some flexibility is desired in the amount of concrete production versus asphalt production. Specifically, the Port sees the potential need for flexibility by increasing the amount of concrete production and reducing the amount of asphalt production, while not exceeding the overall levels of impacts identified in the FSEIR. The FSEIR assumed, and Mitigation Measure No. C.4A limited, Industry Group production as a whole to about 650,000 cubic yards (cu. yds.) of concrete and 400,000 tons of asphalt (FSEIR Appendix A) per year under short-range (near-term) future conditions. These amounts were based on existing market demand, and were assumed to go unchanged in the near-term. Under long-range (long-term) future conditions to the year 2015, market demand was assumed to increase to 850,000 cu. yds. concrete and 550,000 tons of asphalt.

The Port currently seeks production levels that would fall under one of two additional scenarios in the near term: Scenario A: 750,000 cu. yds. concrete and 200,000 tons asphalt production per year; or Scenario B: 850,000 cu. yds. concrete per year and no asphalt production.[1]

While the number of Industry Group entities would change, the total amount of concrete and asphalt production would not change from those levels discussed in the SEIR or as revised above. The Port has agreed, consistent with Mitigation Measure C.4A, to monitor and limit the production levels of all tenants involved in concrete or asphalt production so that they do not exceed those levels assumed and analyzed in the FSEIR. This would be accomplished by requiring, as conditions of each lease, a monthly reporting of the production volumes of each entity. If, for any reason, the collective production levels exceed the levels identified in the FSEIR, each tenant would be required to halt operation or reduce production to levels consistent with those assumed in the FSEIR.

Section 31.19(c)(1) of the San Francisco Administrative Code states that a modified project must be reevaluated and that, "If, on the basis of such reevaluation, the Environmental Review Officer determines, based on the requirements of CEQA, that no additional environmental review is necessary, this determination and the reasons therefor shall be noted in writing in the case record, and no further evaluation shall be required by this Chapter."

Analysis of Potential Environmental Effects

All of the mitigation measures included as part of the original project would be included in the modified project. Additionally, other mitigation measures were incorporated from the Waterfront Land Use Plan EIR.[2] Those mitigation measures relate to: transportation, air quality, hydrology/water quality, hazardous materials, biological resources, geology/soils/seismicity, historic architectural resources, and archaeological resources. The FSEIR included analyses of environmental issues including: land use, transportation, air quality, hydrology and water quality, hazardous materials, biological resources, and growth inducement.

Potential air quality and transportation-related impacts of the modified project proposal are analyzed below, by topic. No other environmental impacts would be different than those described in the FSEIR.

Air Quality

The FSEIR analyzed both regional and local air quality effects of the project in two analysis years (2003 and 2015). The analysis included both stationary source emissions, such as those that would emanate directly from on-site operations and equipment, and mobile sources of emissions, such as those from

---

[1] One cubic yard of concrete weighs approximately two tons. Both analysis scenarios, A and B, maintain the same combined total tonnage of asphalt and concrete that was assumed in the FSEIR under short-range future conditions. Scenario A reduces asphalt production by one-half, while increasing concrete production by a corresponding tonnage. Scenario B reduces asphalt production to zero while increasing concrete production by a corresponding tonnage.

[2] The Southern Waterfront SEIR supplements the Port of San Francisco Waterfront Land Use Plan EIR (Case No. 94.155E; State Clearinghouse No. 94123007), certified on January 9, 1997, which was undertaken for the adoption by the Port of San Francisco of a plan governing future uses and development within the Port's approximately 7.5 miles of jurisdiction, covering the San Francisco waterfront generally from the Hyde Street Pier to India Basin.

trucks, rail and ships. Evaluation of the previous project's effects at a regional level found that the significance threshold for maximum daily emissions of reactive organic gases (ROG), nitrogen oxides (NO_X), and respirable particulates (PM-10) from all project components combined would exceed the significance threshold of 80 pounds per day in both analysis years. In addition, the significance threshold for annual emissions of 15 tons per year would also be exceeded for ROG and NO_X in each year. Therefore, the previous project would result in a significant effect with regard to emissions of criteria pollutants, an impact that cannot be reduced to a less-than-significant level because of the magnitude of the project. With respect to localized effects, concentrations of carbon monoxide, PM-10, and diesel particulate matter were found at levels below significance thresholds.

As discussed in the attached air quality memorandum, the proposed increase in concrete production and reduction in asphalt production (i.e. Scenarios A and B) would result in changes in PM-10 emissions and changes in emissions of toxic air contaminants (TACs). PM-10 emissions for asphalt production per ton of material handled are greater than emissions from concrete production for the same tonnage of material handled. This is due primarily to the operation of the drum mixer which has greater emissions than other processes. Thus, with the reduction in PM-10 emissions from the reduction in asphalt production and the increase in PM-10 emissions from the additional concrete production, there would be a net reduction in overall PM-10 emissions from the project. The net decrease in emissions from the processing of material would result in a net reduction in ambient air PM-10 concentrations at the sensitive receptors. Annual reductions in asphalt production by 50% (or a reduction to 200,000 tons of asphalt per year as in Scenario A) would reduce annual PM-10 emissions from asphalt plants by 50%. This reduction in emissions, along with the increase in emissions from additional concrete production, would result in a net reduction in the maximum 24-hr ambient air concentration by about 9% for Scenario A. With elimination of asphalt production and substitution with concrete production (Scenario B), total maximum daily PM-10 emissions from all projects would be reduced from the condition in the FSEIR. The maximum 24-hr concentration for Scenario B would be reduced by about 43% when compared to the scenario in the SEIR. Impacts in 2015 would also be reduced, compared to those identified in the FSEIR, by similar percentages to those noted.

With regard to TACs, health risks from asphalt production are relatively small compared to diesel emissions from trucks, because emissions from diesel trucks are located more in the prevailing wind direction relative to sensitive receptors. Although health risks would be reduced with reduced asphalt production, the reduction would not significantly change the total incremental risk. There are no TACs associated with concrete production.

Reductions in asphalt production and increases in concrete production would not substantially alter carbon monoxide emissions or diesel particulates, as increases in truck traffic would be very small (see discussion below for effects related to Transportation). Changes to other criteria air pollutants would be negligible. Odorous emissions associated on occasion with asphalt production would decrease slightly with a reduction in asphalt production, and would be eliminated with the elimination of asphalt production.

The addition of another entity to the Industry Group would have no meaningful effect on the air quality impacts described. Regardless of the number of Industry Group members, total production volumes would remain consistent with those described in the FSEIR or as revised in this addendum; the new location of Pacific Cement, immediately across Amador Street from Mission Valley Rock, would result in no change in overall emissions and would have only a minute effect on local PM-10 concentrations. Mitigation measures identified in the FSEIR relating to air quality would continue to be in effect for existing and new Industry Group members. Based on the above analysis, air quality impacts of the revised project would be no greater than those identified in the FSEIR, and no further analysis is required.

Transportation

The transportation demand analysis, as determined in the FSEIR, was based on the volume of concrete and asphalt produced by the Industry Group as a whole. The transportation analysis for the previous project found that, in 2003, the project would result in about 3,310 daily truck trips. Of these, about 530 would occur during the a.m. peak hour, and 303 would occur during the p.m. peak hour.

With the potential change in the amount of concrete versus asphalt to be produced, the revised project under Scenario A would result in about 3,357 daily truck trips, or about 47 more than with the previous project, an increase of about 1.4%. Of the 3,357 daily truck trips, 539 would occur in the morning (a.m.) peak hour (9 more than with the previous project, or a 1.7% increase), and 305 would occur in the afternoon (p.m.) peak hour (2 more than with the previous project, or a less than 1% increase).

With the revised project under Scenario B, total daily truck trips would be about 3,404, or about 94 more than with the previous project, an increase of about 2.8%. Of the 3,404 daily truck trips, 549 would occur in the a.m. peak hour (19 more than with the previous project, or a 3.6% increase), and 307 would occur in the p.m. peak hour (4 more than with the previous project, or a 1.3% increase).

The FSEIR analyzed transportation conditions for three time frames: Existing plus Project, when the Industry Group project components would be in operation; 2003, when the Illinois Street Bridge would be in place and the Muni Third Street light rail line is anticipated to begin operations, and 2015, by which time future port developments were assumed to occur. Seventeen intersections throughout the Southern Waterfront were examined. In addition, several intersections were analyzed at the gateway to much of the Industry Group activity, in the vicinity of Third Street and Cargo Way.

As analyzed in the FSEIR, traffic generated in the near term, mostly by the Industry Group components, would have a significant adverse effect on two intersections: Third Street and Cargo Way, and 25th and Third Streets, both of which would deteriorate from Level of Service (LOS) B to LOS F. By 2003, with additional traffic from development on Port land and from background growth, p.m. peak-hour conditions at Third and Cargo Way would also deteriorate to LOS F without the Illinois Street Bridge, from LOS C under existing conditions and LOS D with Existing-plus-Industry Group (near term) conditions. Also by 2003, a third intersection would be adversely affected: the unsignalized intersection of Amador Street

and Cargo Way would deteriorate to LOS F in the p.m. peak hour with completion of the Illinois Street Bridge. The FSEIR identified mitigation measures for these and other transportation-related impacts.

The truck traffic increases produced by the revised project scenarios discussed above, ranging from 9 to 19 truck trips during the a.m. peak hour and from 2 to 4 truck trips in the p.m. peak hour, would be too small to affect the transportation analysis of the FSEIR. None of the study intersections appeared close to the "tip point" of declining to the next level of service. Spread out over the course of an hour, the minute number of increased truck trips would not be sufficient to cause substantive increases in delay, nor cause the levels of service to deteriorate from those levels analyzed in the FSEIR. Similarly, in 2015, the slight increases in peak-hour volumes would not result in any change in intersection levels of service, compared to those identified in the FSEIR. In light of the above, transportation effects would not be greater than the impacts identified in the FSEIR, and no further analysis is required.

Conclusion

As explained above, neither the modification in the project or its assumptions would result in any new significant effects that would be substantially more severe than those identified in the FSEIR. Project effects on air quality and transportation would be the same as or similar to those resulting from the project analyzed in the FSEIR, and would not result in new significant effects. Mitigation measures included in the FSEIR would remain applicable.

Based on the above analysis and discussion, no important revisions are needed in the San Francisco Southern Waterfront FSEIR because no new significant impacts would result from the revised project; there are no changes in circumstances in the project area, and no new information has come to light that would indicate the potential for new significant impacts not discussed in the FSEIR. Therefore, no further evaluation is required pursuant to San Francisco Administrative Code Section 31.19(c), and no additional Supplemental or Subsequent EIR is needed pursuant to State CEQA Guidelines Sections 15162 and 15163.

ESA Environmental Science Associates

MEMORANDUM

TO • Diane Wong

FROM • Bob Vranka

DATE • June 20, 2001

SUBJECT • Evaluation of Air Quality Impacts from the Reduction of Asphalt Production Southern Waterfront SEIR (ESA 990267)

The Port has requested that additional analyses be conducted to address the need for allowing for more flexibility in establishing optimum ratios of asphalt vs. concrete production. Replacing all or part of the asphalt production with concrete production can change the overall air quality and health risk impacts from the project. Therefore, two additional scenarios of asphalt and concrete production were evaluated.

Replacing asphalt production partially or completely with concrete production would result in relatively small changes in emissions of PM-10 and toxic air contaminants (TACs). Neither commute vehicles nor ship/rail emissions would change significantly, mainly because for every ton of concrete produced in lieu of a ton of asphalt, there would be a net decrease in aggregate use. Asphalt contains a greater percentage of aggregate than does concrete which has more water and cement/flyash. For this reason, the number of ships would decrease incrementally with each ton of concrete produced compared with asphalt. The decrease in the number of ships is small (about 4 fewer ships per year for the scenario of 850,000 cubic yards of concrete and 0 asphalt as compared with the scenario in the SEIR).

Annual emissions of PM-10 would therefore be reduced somewhat, but maximum daily emissions would not change, because daily calculations assume the presence of a ship. The same would be true for the new scenario, although the number of days in a year with a ship present would be reduced. Annual train trips would increase because of more aggregate and flyash deliveries. However, trains were not major contributors to annual air quality impacts. Again, maximum daily emissions would not change, because it was assumed in the SEIR analysis that a train would be present on the worst-case day. This would not change for the new scenario.

With regard to trucks, the total number of vehicle miles traveled would increase by about 3.6% in the local area with the scenario of 850,000 cubic yards of concrete and 0 asphalt, as compared to the SEIR. With 750,000 cubic yards of concrete and 200 tons of asphalt, local VMT would be increased by about 1.8% over the SEIR. In each case, regional VMT would decrease compared to the SEIR, because there is less aggregate needed per ton of concrete.

If some of the asphalt production is shifted to concrete production, there would be changes in emissions of PM-10 and changes in emissions of toxic air contaminants (TACs). With regard to PM-10 emissions from the stationary facilities, the main source of emissions identified in the SEIR among all of the activities for the proposed projects, involves activities related to asphalt production. In asphalt production, the principal source of PM-10 emissions is the drum mixer, mainly because of the tumbling action in the process and the drying which reduces moisture content to well below 1%. Typically

moisture content below 2% results in significantly increased emissions per ton of product. Emissions for the drum mixer are higher per ton of material handled than for cement production operations, even though the drum mixer is equipped with a fabric filter that can remove over 99% of the PM-10 emissions. Therefore, reducing or eliminating asphalt production would reduce PM-10 air quality impacts at the highest receptors even with increased concrete production.

If the asphalt production remains in the picture but annual production is reduced by 50%, the maximum daily throughput would probably be reduced, somewhat, probably by about 30%. Therefore, the maximum 24-hr PM-10 ambient air concentration would be reduced because of the 30% reduction in daily emissions from asphalt production. Also, there may be fewer days with the maximum production rate. Consequently the frequency of occurrence of the maximum PM-10 increment would also be reduced.

If the asphalt plant is completely eliminated and is substituted with concrete production, the net change in total maximum daily PM-10 emissions from all projects would be reduced, mainly because the elimination of asphalt would reduce total PM-10 emissions for the entire project by a greater amount than the increase in emissions resulting from increased production of concrete. Changes in incremental ambient air concentrations (24-hr. avg. and annual avg.) that would result from a 50% reduction in asphalt production and a corresponding increase in concrete production are given in Tables 1 and 2, respectively under Scenario A.

If asphalt production were completely eliminated and were replaced with concrete production, both the maximum 24-hr average PM-10 concentration and the annual average concentration at the maximum receptor would be reduced even further. The 24-hr. and annual average concentrations for this scenario are summarized in Tables 1 and 2 under Scenario B. Under Scenario B, the maximum PM-10 increments would be reduced considerably if asphalt were eliminated, mainly because there would be no drum mixer PM-10 emissions.

Truck, Rail and Ship Emissions

As mentioned above, total vehicle miles traveled for trucks would increase only slightly when replacing asphalt with concrete. For the extreme case where asphalt production is eliminated, there would be at most a 3.6% increase in truck trips. For the case in which asphalt production would be reduced by 50%, the increase in truck trips would be no greater than 1.8%. Since this change is so small, the PM-10 impacts would not change significantly. Tables 1 and 2 show that truck emissions contribute only a small amount of PM-10 to the highest ambient air concentrations (0.01 to 0.03 micrograms per cubic meter). Therefore the PM-10 impacts from truck traffic would not change significantly.

Daily ship and rail emissions would not change, compared to those in the FSEIR, because the volume of aggregate handled would be similar over the course of a year, and would be unchanged over the maximum one-day period used in modeling local impacts. Annual ship emissions would decrease slightly, and annual rail emissions would increase slightly, but not enough to alter the significance of any impacts or change the conclusions of the FSEIR, because the net changes would effectively cancel each other out.

TABLE 1
24-hr Average Incremental PM-10 Concentrations for Port and Industry Projects

Industry Group Components	Southern Waterfront FSEIR ($\mu g/m^3$)		Scenario A Reduced Asphalt, Increased Concrete ($\mu g/m^3$)		Scenario B No Asphalt, Increased Concrete ($\mu g/m^3$)	
	2003	2015	2003	2015	2003	2015
Industry + Port	1.16	1.55	1.06	1.34	0.67	0.79
Industry only	1.13	1.51	1.03	1.31	0.64	0.76
Mission Valley Rock	0.53	0.81	0.37	0.57	0.00	0.00
Bode Gravel	0.25	0.32	0.25	0.32	0.25	0.32
RMC Pacific	0.16	0.21	0.16	0.21	0.16	0.21
Marine Emissions	0.07	0.07	0.07	0.07	0.07	0.07
Train Emissions	0.06	0.03	0.06	0.04	0.06	0.04
Port trucks	0.03	0.04	0.03	0.03	0.03	0.03
Industry trucks/buses	0.03	0.03	0.03	0.03	0.03	0.03
Commuter Emissions	0.02	0.02	0.02	0.02	0.02	0.02
ISG Resources	0.01	0.02	0.01	0.02	0.01	0.02
BP Aggregates	0.00	0.00	0.00	0.00	0.00	0.00
Pacific Cement	n/a	n/a	0.04	0.05	0.06	0.09

NOTES:

Scenario A = 750,000 cu. yds. concrete and 200,000 tons asphalt
Scenario B = 850,000 cu. yds. concrete and no asphalt

Highest 24 hr total PM10 concentration in 2003 and 2015 is at the Youngblood Coleman Playground.

Contributions of the various sources to the highest 24-hr. average, assuming reduced maximum daily asphalt production by 30% (corresponds to 50% annual reduction).

TABLE 2
Annual Average Incremental PM-10 Concentrations for Port and Industry Projects

Industry Group Components	Southern Waterfront FSEIR ($\mu g/m^3$)		Scenario A Reduced Asphalt, Increased Concrete ($\mu g/m^3$)		Scenario B No Asphalt, Increased Concrete ($\mu g/m^3$)	
	2003	2015	2003	2015	2003	2015
Industry + Port	0.09	0.12	0.08	0.11	0.06	0.08
Industry only	0.08	0.10	0.08	0.10	0.06	0.07
Mission Valley Rock	0.03	0.04	0.02	0.03	0.00	0.00
Bode Gravel	0.01	0.01	0.01	0.01	0.01	0.01
RMC Pacific	0.01	0.01	0.01	0.01	0.01	0.01
Marine Emissions	0.00	0.00	0.00	0.00	0.00	0.00
Train Emissions	0.01	0.00	0.01	0.00	0.01	0.00
Port trucks	0.01	0.01	0.01	0.01	0.01	0.01
Industry trucks/buses	0.01	0.01	0.01	0.01	0.01	0.01
Commuter Emissions	0.02	0.02	0.02	0.02	0.02	0.02
ISG Resources	0.00	0.00	0.00	0.00	0.00	0.00
BP Aggregates	0.00	0.00	0.00	0.00	0.00	0.00
Pacific Cement	n/a	n/a	0.00	0.00	0.00	0.00

NOTES:

Scenario A = 750.000 cu. yds. concrete and 200,000 tons asphalt
Scenario B = 850.000 cu. yds. concrete and no asphalt

Highest annual average total PM10 concentration in 2003 and 2015 is at the Youngblood Coleman Playground.

Contributions of the various sources to the highest annual average concentration assume annual asphalt production reduced by 50%.

Contributions of the various sources to the highest annual average concentration assume **no asphalt plant.**

Effects on Health Risks

The FSEIR states that emissions of toxic air contaminants (TACs) from asphalt production would cause a maximum incremental cancer risk of 0.3 in a million at maximum production in 2015, with the incremental risk in 2003 being proportionately less because of reduced annual production of asphalt. These incremental risks are much lower than the incremental risks from diesel exhaust, which are 7.5 to 8.9 in a million. The health risks from asphalt production are relatively small compared to diesel emissions from trucks, because of the location of the asphalt production compared to sensitive receptors. Emissions from diesel trucks are located more in the prevailing wind direction relative to sensitive receptors. Although health risks would be reduced slightly with reduced asphalt production, the reduction will not significantly change the total incremental risk at the maximum receptor. The 1.8% to 3.6% increase in truck traffic with the reduction or elimination of asphalt production would result in only a minor increase in health risks, about the same as the decrease from asphalt reduction. Therefore, the total incremental risk from the project with the slight increase in truck emissions and the reduction of TAC emissions from asphalt production would remain less than 10 in a million, which is the significance threshold.

Effects on Odors

The EIR states that emissions from asphalt production can result in perceived odors on occasion when the winds are blowing toward sensitive receptors. For a 50% reduction in annual production of asphalt, the change in odor impacts would be reduced only slightly, since odors can be perceived during short-term releases of pollutants, and emissions of odorous substances when there is maximum daily production would not change significantly, although there would be fewer days in a year in which asphalt would be produced at the maximum rate. If there were no asphalt production, there would be no emissions of odorous pollutants, since none of the other sources on the project emit odorous substances. Therefore any chance of odors from the project would be eliminated.

PORT OF SAN FRANCISCO

MEMORANDUM

June 21, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval of a maritime industrial lease with Pacific Cement Company, L.L.C. for space at Seawall Lot 352 for use as a maritime dry bulk cargo terminal and concrete ready-mix facility

DIRECTOR'S RECOMMENDATION: APPROVE MARITIME INDUSTRIAL LEASE WITH PACIFIC CEMENT COMPANY, L.L.C. FOR SPACE AT SEAWALL LOT 352 FOR USE AS A MARITIME DRY BULK CARGO TERMINAL AND CONCRETE READY-MIX FACILITY

BACKGROUND

Pacific Cement Company, L.L.C. (Pacific Cement) currently operates a concrete ready-mix facility under Port Lease No. L-12645 at Seawall Lot 355, which is within the boundaries of the Muni Metro East Maintenance Facility development project. Pacific Cement is anticipating relocation from this site in the near future.

Pacific Cement is interested in remaining in San Francisco because of the numerous local construction projects such as the Mission Bay Development, UCSF Campus Facility, Downtown Ferry Terminal, Third Street Light Rail Extension, the Caltrans Bay Bridge and other seismic retrofits, all of which will require the services of a concrete ready-mix facility. Pacific Cement has proposed the site at Seawall Lot 352, which meets the operational needs of a marine dry bulk cargo terminal and ready-mix plant. This is in accord with the Port Maritime staff's Marketing Plan which identifies bulk building materials such as cement, sand, gravel and other aggregate products as targeted cargo for maritime revenue generation.

THIS PRINT COVERS CALENDAR ITEM NO. 5B

Pacific Cement proposes to construct and operate a concrete ready-mix plant, which would be completely enclosed within a building. They propose to handle and store cement and aggregate products from barges and trucks to support the operation of a concrete ready-mix plant. A major component of the Pacific Cement plan is to use the Port's berthing facilities at Pier 94 to unload bulk aggregate materials from barges. The aggregate would then be moved by truck to a bunker storage facility that Pacific Cement will construct. The proposed ready-mix plant will mix the cement and aggregate materials to produce ready-mix concrete. The ready–mix concrete would then be transported by truck to local job sites.

There are five primary land use documents that regulate uses on property within the jurisdiction of the Port of San Francisco. These documents are the California Public Trust, the General Plan of the City and County of San Francisco, the San Francisco Planning Code, the Port's Waterfront Land Use Plan (WLUP) and the Bay Conservation and Development Commission (BCDC) Seaport Plan. The discussion below outlines how the proposed Pacific Cement ready-mix plant at Seawall Lot 352 is compatible with these regulatory documents.

The Public Trust: The San Francisco Waterfront is publicly owned and held in "public trust" on behalf of the people of California. The Port of San Francisco is trustee for these public lands. The California Constitution requires that uses within the Port's jurisdiction promote navigation, fisheries, waterborne commerce, enhance natural resources or attract people to use and enjoy San Francisco Bay. The Port, as trustee, makes the determination as to whether a given lease or land use is consistent with the Public Trust.

Certain long-term uses are acceptable on trust property. Such uses include all maritime and maritime support, other water-related industry, open space, water-related commercial recreation and specialty retail and commercial which is designed to draw people to the waterfront. The proposed ready-mix plant is a maritime use and as such is an acceptable trust use.

General Plan of the City and County of San Francisco: The General Plan is made up of numerous Area Plans. The Southern Waterfront area is within the boundaries of the South Bayshore Plan. The Plan provides objectives and policies to continue Heavy Industrial and Heavy Commercial uses in the project area and maintain a separation of industrial uses from residential uses. The proposed ready-mix plant is permitted as a principal use in the plan.

San Francisco Planning Code: The property at Seawall Lot 352 is located within the M-2 Heavy Industrial District. The proposed ready-mix plant is permitted as a principal use in this District.

Waterfront Land Use Plan (WLUP): The proposed ready-mix facility is considered a maritime cargo industrial use under the WLUP since waterborne dry bulk cargo (aggregate) will be unloaded from barges or ships and transported to the ready-mix plant facility. The WLUP provides a list of acceptable uses for different areas of the waterfront. The *Southern Waterfront Acceptable Land Use Table* governs uses at Seawall Lot 352 and Pier 94. This table indicates that "Cargo Shipping" is an acceptable use at Seawall Lot 352 and Pier 94.

BCDC Seaport Plan: The Plan identifies *Port Priority Use Areas* that are reserved for regional maritime port use and include within their premises marine terminals and directly related ancillary activities. A marine terminal includes the wharf, storage area, offices, rail and truck facilities, and other functions necessary to the efficient operation of a terminal. Seawall Lot 352 is located within a designated *Port Priority Use Area*. The proposed ready-mix plant is an acceptable use since it would maintain and increase dry bulk cargo shipping through the existing marine terminal at Pier 94.

PROPOSED LEASE

The following is an outline of basic terms and conditions to be included in the Lease with Pacific Cement for premises located at Seawall Lot 352.

1. **Premises:** Approximately 204,688 sq. ft. of open land located at Seawall Lot 352. Port will provide Tenant non-exclusive use of berthing space at Pier 94 for discharge of aggregate materials from vessels.

2. **Use:** The construction and operation of a maritime dry bulk cargo terminal and concrete ready-mix plant including general administrative and maintenance uses directly related thereto, the shipping, receiving, storage and handling of construction materials, delivery and shipment by barge and truck, and for no other purpose.

3. **Term:** Ten (10) years, with three (3) five (5) year options.

4. **Rent**:

   a. Base Rent: Rental Rate of $.16 per sq. ft. per month for open land, with annual cost of living increases.

      Total Base Rent: $32,750.08 per month. $393,000.96 annually.

   b. Base Rent shall be adjusted to market rent every five (5) years.

5. **Dockage and Wharfage**: Charges will be assessed per Port Tariff for aggregate materials. Current rate is $.75 per kilo-ton (2,204.6 lbs.).

6. **Tenant's Maritime Commitment:** The Tenant agrees to ship through the Port the following minimum quantities of aggregate materials during the term of the Lease.
   a. First year: 75,000 tons per year
   b. Second year and each year thereafter an average of: 200,000 tons per year based on a three year rolling average, adjusted annually

   If Tenant fails to meet the minimum level of bulk cargo shipments to the Port of San Francisco facilities, Tenant shall pay to Port a Maritime Deficiency Fee equal to the Wharfage fees that would otherwise have been attributable to the quantities of bulk cargo tonnage constituting the Deficiency.

7. **Improvements:** The Premises will be accepted by the Tenant in its "as is" condition, except for any remediation required by regulatory agencies for the existing soil pile, a portion of which sits on the southwest corner of the Lease Premises. The Port will be responsible for any required mediation and handling of the soil pile. All work to the Premises shall be conducted by Tenant at its sole cost and expense. All improvements shall be subject to the approval of the Port and shall require a building permit from the Port. Tenant shall be responsible for any required infrastructure modifications or improvements including roads, water, sanitary and storm sewers.

8. **Environmental:** Pacific Cement will be required to comply with applicable mitigation measures identified the Southern Waterfront Supplemental Environmental Improvement Report (SEIR). The mitigation measures shall become required conditions of the Lease.

9. **Annual Concrete Production limit**: The SEIR analysis is based on certain assumptions and projections that were made regarding annual production of aggregate construction material and on total production of concrete and asphalt on Port facilities. The existing and short-term future production limit for concrete is 650,000 cubic yards and 400,000 cubic yards for asphalt. This is projected to increase to 850,000 cubic yards of concrete and 530,000 cubic yards of asphalt by 2015.

   Tenant, collectively with the other concrete operators, will be required as a condition of the Lease to submit monthly reports to the Port of audited production levels. The monthly reports will be monitored by the Port to ensure that the cumulative total of concrete produced does not exceed the aggregate based construction material production assumption in the SEIR. The monthly reporting will enable the Port and affected tenants to know in advance any potential for exceeding the production level limit, and thus allow measures to be taken to ensure such overage does not occur. In the event that the production limit is exceeded, despite the monthly reporting requirement, the tenants would be declared in default of their respective leases, and all concrete operation halted if overall production cannot be reduced to a level consistent with the SEIR. Increases in the production of concrete or aggregate-based construction material above the level assumed in the SEIR, under any circumstances, will be subject to further environmental review by the San Francisco Planning Department's Office of Major Environmental Analysis (MEA). If MEA determines that the increased production level exceeds the impacts identified in the SEIR analysis, the further environmental evaluation may include additional mitigation measures that would be considered by the Commission as additional lease conditions.

10. **Infrastructure Improvements:** Tenant agrees to make a one time payment to the Port in the amount of $247,485 which Port shall allocate toward the construction of the Illinois Street Intermodal Bridge, the "Gateway Project" or other as yet-to-be defined projects.

11. **Storm Water Pollution Prevention**: In addition to requiring Tenant to meet the current Storm Water Pollution Prevention Plan (SWPPP) requirements, the Port is developing a Storm Water Management Program (Program) for the Southern Waterfront area between Pier 70 and India Basin. The Program will establish specific standards and the best

available storm water management practices and control technologies that apply to the existing and proposed industrial and maritime facilities. The range of effective storm water management and treatment options will be expanded to include natural systems and alternative innovative technologies. The Program will be developed to provide the Port and its tenants a guidance for storm water management and treatment and practices and may exceed the current SWPPP requirements. Tenant's SWPPP will be required by the Port Environmental Manager and consultant team that is developing the Program, with the intent of providing early input to best assume the SWPPP is consistent with storm water treatment objectives that are emerging in the Program. When the Port adopts its Storm Water Management Program (which will include water quality criteria, inspection and monitoring standards and reporting requirements), Tenant shall comply with all conditions of the program, including any additional provisions that exceed Tenants' requirements under the SWPPP.

12. **Tenant's Reporting Requirement**: Tenant shall submit a Monthly Activity and Monitoring Report, which shall include concrete production levels, maritime imports of bulk materials, truck trips, use of rail facilities, monitoring of SEIR mitigation measures, including dust mitigation monitoring, Storm Water Monitoring Program, local trucker participation and employment training programs.

13. **Local Trucking**: Tenant agrees that, for all trucking opportunities associated with Tenant's operations at the Premises, Tenant shall make good faith efforts to first use local truckers.

SOUTHERN WATERFRONT ADVISORY COMMITTEE (SWAC)
SWAC has reviewed and voted to approve the Lease between the Port and Pacific Cement.

Prepared by: Mark W. Lozovoy, Assistant Deputy Director, Real Estate

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-50

WHEREAS, Charter Section 3.581 empowers the Port Commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control Port area of the City and County of San Francisco; and

WHEREAS, Pacific Cement Company, L.L.C. ("Pacific Cement") has proposed to develop a concrete ready-mix plant and maritime dry bulk cargo terminal facility at Seawall Lot 352 on property to be leased from the Port Commission; and

WHEREAS, Pacific Cement has agreed to ship through the Port minimum quantities of aggregate materials during the Term of the Lease; and

WHEREAS, Pacific Cement shall comply with a Port approved Environmental Mitigation Plan, which shall become a material exhibit to the Lease, and

WHEREAS, the proposed use of the Seawall Lot 352 and maritime dry bulk cargo terminal facility is consistent with the California Public Trust, the General Plan of the City and County of San Francisco, the San Francisco Planning Code, the Waterfront Land Use Plan and the BCDC Seaport Plan; and now therefore, be it

RESOLVED, that the San Francisco Port Commission hereby approves a maritime industrial lease between the Port and Pacific Cement for a concrete ready-mix plant and maritime dry bulk cargo terminal facility at Seawall Lot 352 upon final terms and conditions to be approved by the Port Commission, in a form to be approved by the City Attorney's Office, which terms and conditions are set forth substantially and in preliminary form in the Memorandum of Agenda Item 5B for the June 26, 2001 Port Commission Meeting.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 26, 2001.

_____
Secretary

PORT OF SAN FRANCISCO

MEMORANDUM

June 21, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Denise McCarthy
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Amend Lease No. L-12120 between the Port and Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc., a California corporation, jointly and severally for property located at Pier 38 to allow permanent in-water berthing as a permitted use and to revise site plan. (Resolution 01-51)

DIRECTOR'S RECOMMENDATION: CONSENT TO USES SUBJECT TO CONDITIONS AND APPOVAL OF NEW SITE PLAN

A. CARL ERNST, JR. AND PIER 38 MARITIME RECREATION CENTER, INC. LEASE.

Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc., a California corporation, jointly and severally (herein "MRC") entered into a Lease for the entirety of Pier 38 consisting of approximately 68,000 square feet of Shed Space, 28,000 square feet of Apron Space, 7,800 square feet of Pier Bulkhead Office Space and 180,000 square feet of water surface area on January 13, 1996, to be used as a maritime recreation center. This Lease was approved by the Port Commission on August 29, 1995 (Resolution 95-70). The Lease Site Plan provides that MRC may build up to 2700 lineal feet of floating dock for the berthing of transient vessels for periods of up to 72 hours.

B. BCDC PUBLIC ACCESS OBLIGATION

As a condition to approving the Lease, the Bay Conservation and Development Commission (herein "BCDC") required the Port and MRC, as co-applicants, to provide public access along the entire perimeter of the pier. Towards this effort, the Port is responsible for upgrading the substructure that physically supports the public access area

while MRC is responsible for the public access improvements that sit atop the substructure, namely a new walking surface, railings, lighting and seating areas. To fund the cost of their public access improvement obligations, MRC has applied for a loan from the California Department of Boating and Waterways ("Cal DBAW"). In order to qualify for this loan, Cal DBAW has required MRC to develop a reliable revenue stream.

C. CONSENT TO NEW USES

MRC has requested Port Commission approval to expand the list of permissible uses to include permanent in-water vessel berthing. This change will allow MRC to maximize revenue from both transient and permanently berthed vessels. The resulting revenue stream will satisfy Cal DBAW's funding requirements and fund MRC's public access obligations sunder the Lease.

Port staff has determined that in order to limit and address potential impacts on Port operations arising from the expanded uses of permanent in-water vessel berthing, and to maintain reasonable control over activities on Port property, the requested changes in use should be subject to certain reasonable conditions. Such conditions include the following:

1. All revenues derived from permanent in-water vessel berthing use occurring on the Premises shall be included in the calculation of percentage rent such that Tenant agrees to pay Port, in addition to Base rent, the amount by which seven percent (7%) of permanent in-water vessel berthing gross receipts received during each calendar month, aggregated with all "Other Sales and Rental Receipts" as defined in Section 5.3 (a) of the Lease, exceeds eighty percent (80%) of the Base Rent.

2. Tenant shall utilize not more than 75% of the total number of in-water berths for permanent in-water vessel berthing.

3. Tenant acknowledges that there shall be no live-aboards on any vessel berthed at the Premises.

D. CONSENT TO NEW SITE PLAN

MRC has requested Port Commission approval of a revised site plan as shown on Exhibit A attached. This new site plan allows MRC to accommodate the largest number of vessels and thereby maximize the potential income from permanent and transient berths and maximize public utilization of the water area at Pier 38.

E. FINANCIAL BENEFIT TO PORT/FINANCIAL ANALYSIS OF PROJECT FEASIBILITY

In granting authorization to MRC for the use of the Premises for permanent in-water vessel berthing and in approving the new site plan, Tenant's agreement to pay Port, in addition to Base Rent, the amount by which seven percent (7%) of permanent in-water vessel berthing gross receipts received during each calendar month, aggregated with all "Other Sales and Rental Receipts" as defined in Section 5.3 (a) of the Lease, exceeds eighty percent (80%) of the Base Rent, will ultimately increase the total revenue to the Port from this Lease. MRC estimates that the Port will receive approximately $2,500 in additional monthly percentage rent once the CalDBWA approved improvements are operational.

The Port's Finance Department has reviewed MRC's financial statements for fiscal year end 2000 and has found that the projected revenues from vessel berthing and other lease income are attainable. Further, the Port's financial analysis notes that, based on current expenses before debt service, MRC should be able to cover the debt service of the existing and new loan.

Prepared by: Phil Williamson, Senior Property Manager

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-51

WHEREAS, Charter Section B3.581 empowers the Port commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, The Port Commission approved the terms of a lease, as amended, ("Lease") with Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc.("MRC") on August 29, 1995 (Resolution 95-70) for occupancy and use of Pier 38 (the "Premises"); and

WHEREAS, Under Sections 1.8 and 8.1 of the Lease, MRC may use the Premises as a maritime recreation center, limited to visiting boat docks and moorings, including perimeter floats providing transient berthing for not more than 72 hours per visit; recreational boat rentals, boat rental facilities; boat launches, dry boat storage facilities; a maritime chandlery operation occupying not more than 2,500 square feet; a new and used boat sales operation occupying not more than 7,500 square feet; maritime recreational equipment rental; related maritime recreation facilities which may include up to two (2) whirlpool baths and up to two (2) saunas; not more than 5,00 total square feet dedicated to Casual Dining and Full Service Dining as defined in Section 44 of the Lease, including the sale of alcoholic beverages for on site consumption (No sales of alcoholic beverages for off-site consumption shall be permitted); and offices for general and administrative functions directly related to the administration of the permitted uses therein enumerated; public access; public restrooms and other public facilities; boat trailer storage; storage of vehicles related to the operation of the maritime recreation center; and up to 100 spaces for free parking for customers and invitees; and

WHEREAS, MRC has requested Port Commission approval of the use of the Premises for permanent in-water vessel berthing on a year-round basis; and

WHEREAS, MRC has requested Port Commission approval of an amended site plan referenced as Exhibit A in the Lease; and

WHEREAS, the Port Commission finds that in order to limit and address potential impacts on Port operations arising from the requested uses and to maintain reasonable control over activities on Port property and to maximize the rent received from its property, the Port has determined that the requested change in use should be subject to the reasonable conditions set forth in Exhibit B attached hereto; now therefore be it

PRESOLVED, that the Port Commission hereby authorizes as a permitted use under Section 1.8 of the Lease, the use of the Premises for permanent in-water vessel berthing on a year-round basis, subject to satisfaction and compliance with the conditions set forth in Exhibit B, and be it further

RESOLVED, that the Port Commission hereby authorizes the new site plan attached hereto as Exhibit A to replace the site plan referenced as Exhibit A of the Lease, and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director to take all such further action as is required to implement the intent of this Resolution, including executing such further assurances and documents in such form as is approved by the City Attorney to the extent that the potential liability or obligations of the Port are not materially increased; and be it further

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 26, 2001.

_____

Secretary

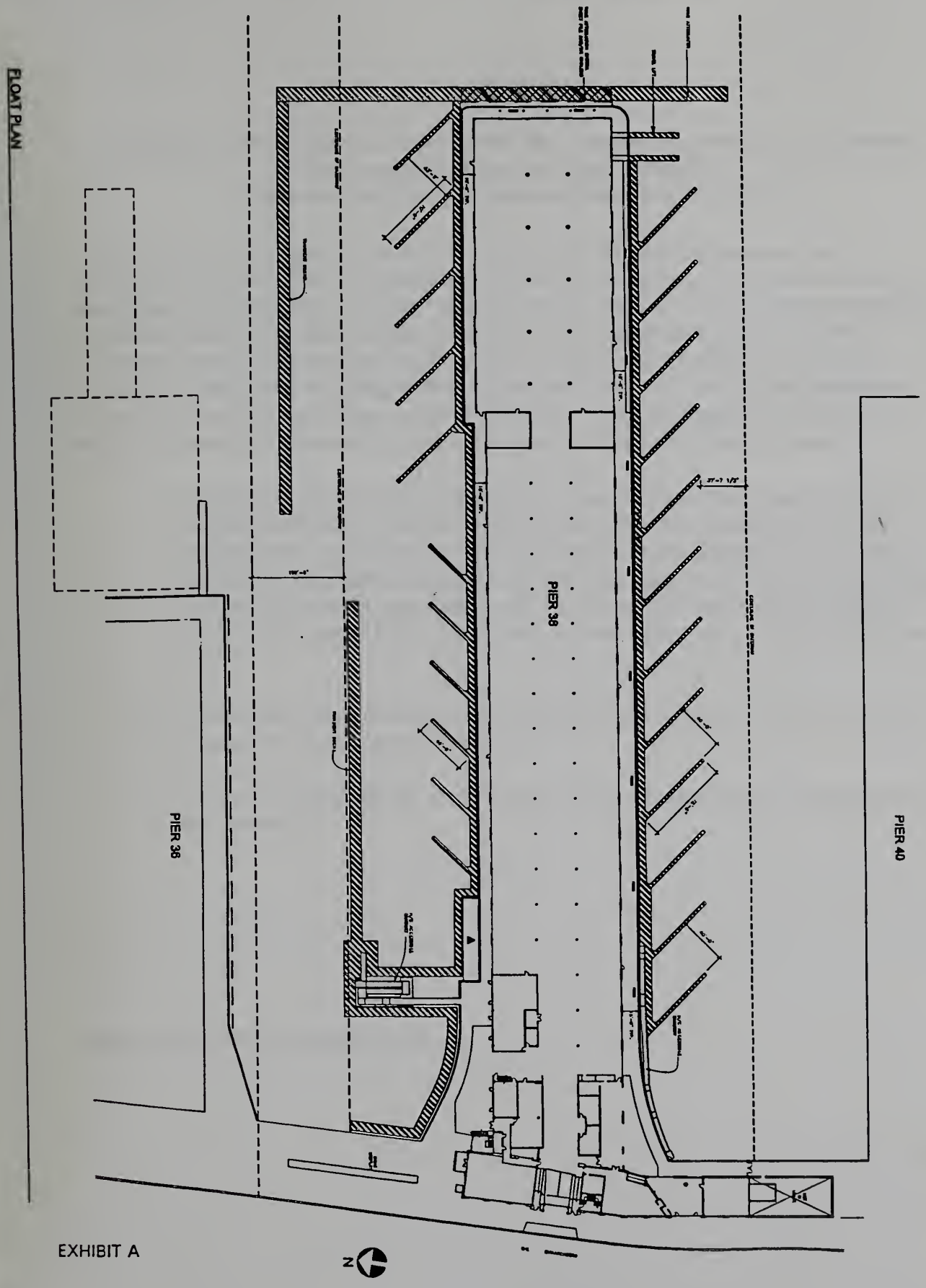


EXHIBIT A

INITIALS: Port_____ Tenant_____

F-1	Lease No. L-12120	PIER 38 MARITIME RECREATION CENTER INC. PIER 38 - THE EMBARCADERO SAN FRANCISCO, CALIFORNIA	June 21, 2001

EXHIBIT B

Conditions to Port Approval of Amended Site Plan and Expanded Uses to Include Permanent In-Water Berthing at Pier 38 (Attachment to Port Commission Resolution No. 01-51)

The following are the terms and conditions under which the Port Commission has conditioned its approval to allow permanent in-water berthing as a permitted use and to amend the site plan for Pier 38 under Port Lease No. L-12120 ("Lease"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Lease. All of the following conditions shall be deemed to be part of, and subject to, all of the terms and conditions of the Lease, including, without limitation, Section 8.2 (Prohibited Activities), Section 9 (Compliance with Laws and Regulations), Section 10 (Regulatory Approvals), Section 17 (Insurance), Section 20 (Indemnity) and Section 23 (Default by Tenant).

1. All revenues derived from permanent in-water vessel berthing use occurring on the Premises shall be included in the calculation of percentage rent such that Tenant agrees to pay Port, in addition to Base rent, the amount by which seven percent (7%) of permanent in-water vessel berthing gross receipts received during each calendar month, aggregated with all "Other Sales and Rental Receipts" as defined in Section 5.3 (a) of the Lease, exceeds eighty percent (80%) of the Base Rent.

2. Tenant shall utilize not more than 75% of the total number of in-water berths for permanent in-water vessel berthing.

3. Tenant acknowledges that there shall be no live-aboards on any vessel berthed at the Premises.

SECOND AMENDMENT TO ORIGINAL LEASE No. L-12120 BETWEEN THE CITY AND COUNTY OF SAN FRANCISCO, THROUGH THE SAN FRANCISCO PORT COMMISSION, Landlord, and CARL ERNST, JR. AND PIER 38 MARITIME RECREATION CENTER, INC., A CALIFORNIA CORPORATION, JOINTLY AND SEVERALLY, Tenant

This Second Amendment to Original Lease No. L-12120 is dated for reference purposes only as of June 6, 2001, between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City"), operating by and through the SAN FRANCISCO PORT COMMISSION ("Port"), and CARL ERNST, JR. AND PIER 38 MARITIME RECREATION CENTER, INC., A CALIFORNIA CORPORATION, JOINTLY AND SEVERALLY (collectively, the "Tenant").

RECITALS

WHEREAS, the Port and Tenant entered into Lease No. 12120, dated January 13, 1996 ("Original Lease") as amended by the Addendum to Lease of evendate therewith ("Addendum") and the First Amendment to Lease dated March 26, 1997 ("First Amendment") for the real property more particularly described in the Lease. The Original Lease, Addendum and First Amendment shall collectively be referred to as the "Lease"; and

WHEREAS, Tenant desires to expand permitted uses of the Premises to include permanent in-water vessel berthing and to amend the site plan to accommodate such use; and

WHEREAS, Port has agreed to amend the permitted uses of the Premises and the site plan on the terms and conditions set forth below.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. **Section 1 of the First Amendment (referencing Section 1.1 of the Original Lease) is hereby deleted in its entirety and replaced with the followings:**

"1.1 Premises

The entirety of the Pier, Apron, Bulkhead Building, Marginal Wharf and Water Surface located at Pier 38, in the City and County of San Francisco, State of California comprising approximately 445,326 square feet of deck and water space as shown on Exhibit A attached hereto and made a part hereof together with any improvements and alterations thereto. Tenant shall have the right to the exclusive possession of the Pier, Apron and Bulkhead Building and the right to the non-exclusive possession and use of the Marginal Wharf and Water Surface areas."

2. Exhibit A of the Lease is hereby replaced with the new Exhibit A attached hereto and

made a part hreto and all reference in the Lease to "Exhibit A" shall mean this new Exhibit A.

2. Section 1.8 (Permitted Use) of the Original Lease is hereby deleted in its entirety and replaced with the followings:

"1.8 Permitted Use: (Section 8.1)
Premises shall be used as a maritime recreation center, and limited to boat docks and moorings including perimeter floats providing for transient in-water berthing for not more than 7 consecutive days per visit; permanent in-water berthing to occupy not more than 75% of all total berths; recreational boat rentals, boat rental facilities; boat launches, dry boat storage facilities; a maritime chandlery operation occupying not more than 2,500 square feet; a new and used boat sales operation occupying not more than 7,500 square feet; maritime recreational equipment rental; related maritime recreation facilities which may include up to two (2) whirlpool baths and up to two (2) saunas; not more than 5,000 total square feet dedicated to Casual Dining and Full Service Dining as defined in Section 44 including the sale of alcoholic beverages for on site consumption (No sales of alcoholic beverages for off-site consumption shall be permitted); and offices for general and administrative functions directly related to the administration of the permitted uses herein enumerated; public access; public restrooms and other public facilities; boat trailer storage; storage of vehicles related to the operation of the maritime recreation center and up to 100 spaces for free parking for customers and Invitees (as defined below). No live –aboards on any vessel berthed at the Premises (whether transient or permanent in-water berthing) shall be permitted."

3. Section 1.9 of the Original Lease is hereby deleted in its entirely and replaced with the following:

Tenant shall at all times during the Preliminary Term and Term of this Original Lease, at its sole cost and expense, maintain and repair in good and working order, condition and repair the Premises and all Improvements and Alterations including all windows, roll-up and/or man doors, pier floors and pier apron and stinger surfaces and such fender systems as may be retained and/or required by Tenant's use of the Premises. Tenant shall also, at its sole cost and expense, construct, maintain and repair the pier and pier apron pilings and pier and pier apron substructures not expressly made the responsibility of Port in the paragraph below.

Subject to the further provisions of Section 40 (as added to the Original Lease by Section 18 of the Addendum), Port shall maintain in good working order and repair, the Facility roof (including the roof substructure) and exterior walls in a watertight condition, and only that portion of the pier and pier apron pilings and pier and pier apron substructures depicted on Exhibit B attached hereto and made a part hereof (but excluding the Pier fender systems). Tenant acknowledges that, as permitted under this Second Amendment, Tenant intends to expand the pier and pier apron beyond the area depicted on Exhibit B and agrees that Tenant shall have the sole responsibility of constructing, maintaining, and repairing the pier, pier apron, pilings and substructures related to such expansion. All other repair and maintenance obligations of any kind whatsoever are also the sole responsibility of Tenant.

4. Section 16 of the Original Lease and Sections 7 and 8 of the Addendum are hereby deleted in their entirety and replaced with the followings:

16. Hazardous Materials

"16.1 Requirements for Handling. Neither Tenant nor its Agents or Invitees, shall Handle in, on or about the Premises any Hazardous Material without the prior written consent of Port, which consent shall not be unreasonably withheld so long as Tenant demonstrates to Port's reasonable satisfaction that such Hazardous Material is necessary to Tenant's business, will be Handled in a manner which strictly complies with all Environmental Laws and will not materially increase the risk of fire or other casualty to the Premises. Notwithstanding the foregoing, Tenant may Handle on the Premises janitorial or office

supplies or materials in such limited amounts as are customarily used for general office purposes so long as such Handling is at all times in full compliance with all Environmental Laws.

"16.2 Tenant Responsibility. Subject to the restrictions set forth in Section 16.1 hereof, Tenant shall Handle all Hazardous Materials discovered on the Premises as a result of Tenant's Improvements and/or Alterations to the Premises, or introduced on the Premises during Tenant's occupancy of the Premises, in compliance with all Environmental Laws. Notwithstanding the foregoing, Tenant shall not be responsible for the safe Handling of Hazardous Materials introduced on the Premises during the Term of this Original Lease by City, Port or their Agents. Tenant shall protect its employees and the general public in accordance with all Environmental Laws. Port may from time to time request, and Tenant shall be obligated to provide, information reasonably adequate for Port to determine that any and all Hazardous Materials are being Handled in a manner which complies with all Environmental Laws. Port shall have the right to inspect the Premises for Hazardous Materials at reasonable times, pursuant to Section 25.1 hereof.

"16.3 Requirement to Remove. Prior to termination of this Original Lease, Tenant, at its sole cost and expense, shall remove any and all Hazardous Materials introduced in, on, under or about the Premises during Tenant's occupancy of the Premises. Further, Tenant, at its sole cost and expense, shall remove any Hazardous Materials discovered on the Premises during the Term of this Original Lease which is required to be removed by any governmental agency, including Port which removal would not have been required except for Tenant's use of the Premises or Tenant's alteration to the Premises. Notwithstanding the foregoing, Tenant shall not be obligated to remove any Hazardous Materials introduced onto the Premises during the Term of this Original Lease by the City, Port or their Agents. Except as otherwise provided in this Section 16 (Hazardous Materials), Tenant shall not be obligated to remove any Hazardous Materials introduced onto the Premises prior to the Commencement Date. Prior to the termination of this Original Lease, Port and Tenant shall conduct a joint inspection of the Premises for the purpose of identifying Hazardous Materials existing on the Premises which Tenant is required to remove.

16.4 Storm Water Pollution Prevention. Tenant shall file a Notice of Intent (NOI) to be covered by the General Industrial Activities Storm Water Permit ("General Permit") issued by the State Water Resources Control Board; develop and implement a Storm Water Pollution Prevention Plan (SWPPP) in compliance with the General Permit; and develop and implement a yearly monitoring program in accordance with the General Permit.

16.5 Tenant's Environmental Condition Notification Requirements.

(a) Notification of Any Release or Discharge. Tenant shall immediately notify Port in writing of any release or discharge of any Hazardous Materials, whether or not the release is in quantities that under any law would require the reporting of such release to a governmental or regulatory agency.

(b) Notification of Any Notice, Investigation, or Claim. Tenant shall also immediately notify Port in writing of, and shall contemporaneously provide Port with a copy of,

(i) Any written notice of release of Hazardous Materials in the Premises that is provided by Tenant or any subtenant or other occupant of the Premises to a governmental or regulatory agency;

(ii) Any notice of a violation, or a potential or alleged violation, of any Environmental Law that is received by Tenant or any subtenant or other occupant of the Premises from any governmental or regulatory agency;

(iii) Any inquiry, investigation, enforcement, cleanup, removal, or other action that is instituted or threatened by a governmental or regulatory agency against Tenant or subtenant or other occupant of the Premises and that relates to the release or discharge of Hazardous Materials on or from the Premises;

(iv) Any claim that is instituted or threatened by any third party against Tenant or any subtenant or other occupant of the Premises and that relates to any release or discharge of Hazardous Materials on or from the Premises; and

(v) Any notice of the loss of any environmental operating permit by Tenant or any subtenant or other occupant of the Premises.

16.6 Failure to Comply.

(a) Failure to comply with this Section 16 shall constitute a material default under the Original Lease. In the event of such default, Port shall have all rights available under the Original Lease and at law or equity including, without limitation, the right to either:

(i) Terminate the Original Lease and collect damages Port incurs as a result of such default, including, without limitation, cleanup costs incurred by Port resulting from the cleanup of any Hazardous Materials released into the Premises, soil, or groundwater; or

Require the cleanup of such Hazardous Materials at the Tenant's sole expense while still enforcing the remaining terms and obligations of the Original Lease.

16.7 Survival.

The obligations within this Section 16 shall survive the expiration or earlier termination of the Original Lease."

5. Section 20.1 (Indemnity) is hereby deleted in its entirety and replaced with the following:

"20.1 Indemnity. Tenant shall indemnify and hold Port, City, and their agents, officers, directors, contractors and employees (collectively, "Agents") harmless from, and, if requested, shall defend them against any and all claims, direct or vicarious liability, damage, injury or loss arising directly or indirectly out of: (a) any injury to or death of any person, including employees of Tenant, or damage to or destruction of any property occurring in, on or about the Premises, or any part thereof, from any cause whatsoever; provided, that in no event shall Tenant be responsible for repairing or replacing the pier or the pilings or supports supporting the Premises (unless the necessity for such repair is caused by Tenant), or (b) any default by Tenant in the observance or performance of any of the terms, covenants or conditions of this Original Lease, or (c) the use, occupancy or condition of the Premises or the activities therein by Tenant, its Agents, or clients, customers, invitees, guests, members, licensees, assignees and subtenants (collectively, "Invitees") activities therein. This indemnity shall be enforceable regardless of the negligence of Port or City, and regardless of whether liability without fault is imposed or sought to be imposed on Port or City. This indemnity shall be enforceable except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on, or validly retroactive to, the date of this Original Lease. This indemnity includes all such loss, damage, injury, liability or claims as described above, loss predicated in whole or in part, upon active or passive negligence of Port, City or their Agents. This indemnity shall exclude claims, liability, damage or loss resulting solely and exclusively from the willful misconduct and/or gross negligence of Port or City which is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on, Tenant, its Agents or invitees and shall also exclude all matters covered by or excluded from the Hazardous Materials Indemnification set forth in subsection 20.3 below.

In addition to Tenant's obligation to indemnify Port and City, Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend Port and City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent. Tenant's obligation to defend shall arise at the time such claim is tendered to Tenant by Port and/or City and shall continue at all times thereafter.

The foregoing indemnity obligation of Tenant shall include without limitation, indemnification from all loss and liability, including attorney's fees, court costs and all other litigation expenses. This indemnification by Tenant shall begin from the first notice that any claim or demand is or may be made. The provisions of this section shall survive the termination of this Original Lease with respect to any damage, destruction, injury or death occurring prior to such termination."

6. Section 9 of the Addendum (referencing Section 20.3 of the Original Lease) is hereby deleted in its entirety and replaced with the following:

"20.3 Hazardous Materials Indemnification. Tenant shall indemnify, defend and hold Port, City and their Agents harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses which arise during or after the Term of this Original Lease as a result of the Handling of Hazardous Materials on the Premises by Tenant, its Agents or Invitees, including without limitation, all costs of investigating and remediating the same, damages for diminution in the value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of any such space and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees.

This indemnification of Port and City by Tenant includes, but is not limited to, costs incurred in connection with any investigation of site conditions or any clean-up, remediation, removal or restoration work requested by Port or required by any federal, state or local governmental agency or political subdivision because of Hazardous Materials present in the soil or groundwater in, on or under the Premises or in any Improvements released as a result of Tenant's occupancy, use or construction activities occurring on the Premises and/or as a result of Hazardous Materials introduced in, on, under or about the Premises during the term of this Original Lease. Without limiting the foregoing, if the presence of any Hazardous Material in, on, under or about the Premises. caused or permitted by Tenant results in any contamination of the Premises, Tenant, at its sole expense, promptly shall take all action that is necessary to return the Premises to the condition existing prior to the introduction of such Hazardous Material in, on, under or about the Premises; provided that Port approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions could not potentially have any material adverse effect upon the Premises. Tenant's obligations hereunder shall survive the termination of this Original Lease."

7. Section 29.1 of the Original Lease is hereby deleted in its entirety and replaced with the following:

"29.1 Non Discrimination in City Contracts and Benefits Ordinance.

(a) Covenant Not to Discriminate.. In the performance of this Original Lease, Tenant covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with Tenant, in any of Tenant's operations within the United States or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant.

(b) Subleases and Other Subcontracts. Tenant shall include in all Subleases and other subcontracts relating to the Premises a non-discrimination clause applicable to such Subtenant or other, subcontractor in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all Subleases and other subcontracts the provisions of Sections 12B.2(a) and 12C.3(c)-(k) of the San Francisco Administrative Code and shall require all Subtenants and other subcontractors to comply such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Original Lease.

(c) Non-Discrimination in Benefits. Tenant does not as of the date of this Original Lease and will not during the Term, in any of its operations within the United States, discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 1 2.2(b) of the San Francisco Administrative Code.

(d) Condition to Original Lease. As a condition to the effectiveness of this Original Lease, Tenant shall execute and deliver to Port the 'Nondiscrimination in contracts and Benefits' form approved by the San Francisco Human Rights Commission.

(e) Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the Original Lease of City property are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Tenant shall comply fully with and be

bound by all of the provisions that apply to this Original Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of $50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Original Lease may be assessed against Tenant and/or deducted from any payments due Tenant."

8. Section 29.3 of the Original Lease is hereby deleted in its entirety and replaced with the following:

29.3 Tropical Hardwood & Virgin Redwood Ban.

City urges Tenant not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood product.

9. A new Section 29.4 (Pesticide Prohibition) is hereby added to the Original Lease to read as follows:

"29.4 Pesticide Prohibition. Tenant shall comply with the provisions of Section 39.9 of Chapter 39 of the San Francisco Administrative Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Tenant to submit to Landlord an integrated pest management (IPM) plan that (A) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the Term of this Original Lease, (B) describes the steps Tenant will take to meet the City's IPM Policy described in section 39.1 of the Pesticide Ordinance and (C) identifies, by name, title, address and telephone number, an individual to act as the Tenant's primary IPM contact person with the City. In addition, Tenant shall comply with the requirements of Sections 39.4(a) and 39.4(b) of the Pesticide Ordinance as of January 1, 1999 and January 1, 2000, respectively.

Through Landlord, Tenant may seek a determination from the City's Commission on the Environment that Tenant is exempt from complying with certain portions of the Pesticide Ordinance with respect to this Original Lease, as provided in Section 39.8 of the Pesticide Ordinance. Landlord shall reasonably cooperate with Tenant if Tenant seeks in good faith an exemption under the Pesticide Ordinance, provided that Landlord shall have no obligation to make expenditures or incur expenses other than administrative expenses."

10. A new Section 29.5 (First Source Hiring) is hereby added to the Original Lease to read as follows:

29.5 First Source Hiring.

The City has adopted a First Source Hiring Ordinance (San Francisco Administrative Code §83.1 et. seq.) which establishes specific requirements, procedures and monitoring for first source hiring of qualified economically disadvantaged individuals for entry-level positions. Pursuant to §83.7(b) of the First Source Hiring Ordinance, the Port Commission has adopted a First Source Hiring Implementation and Monitoring Plan ("Port Plan") subject to approval by the First Source Hiring Administration. Tenant acknowledges receiving and reviewing the First Source Hiring Ordinance. Under Section 83.9(d) of the first Source Hiring Ordinance, compliance by an employer with the Port Plan is deemed to be compliance with the provisions of the First Source Hiring Ordinance.

Based on the foregoing Tenant agrees to comply with the Port Plan through compliance with all of the following measures:

(a) Tenant shall notify the City and County of San Francisco's Workforce Development System, Department of Human Services of all projected Entry Level Positions and the approximate date such positions will be available, by using the ***Job Survey Form*** provided by the Port of San Francisco. The Port will also provide the Tenant with a detailed instruction sheet summarizing the procedure for the commencement of the Original Lease. Tenant shall return the ***Job Survey Form*** to the Port within 30 days after execution of the Original Lease by the Port and Tenant.

For purposes of this Agreement the terms "Entry Level Position", "San Francisco Workforce Development System", "Qualified Economically Disadvantaged Individual", and "First Source Hiring Agreement" shall have the meaning provided in Section 83.4 of the San Francisco Administrative Code.

Tenant shall notify the San Francisco Workforce Development System of all vacancies for existing or new Entry Level Positions on the premise, during the Original Lease term, and shall offer the San Francisco Workforce Development System the first opportunity to provide Qualified Economically Disadvantaged Individuals for employment in these positions.

(b) Tenant shall not publicize or otherwise post such vacancies until the San Francisco Workforce Development System refers Qualified Economically disadvantaged Individuals for employment in these positions or notifies Tenant that no Qualified Economically Disadvantaged Individuals are available for the particular vacancies. The San Francisco Workforce Development System shall respond to Tenant within ten (10) business days. After 10 business days, if the San Francisco Workforce Development System does not refer applicants, Tenant can advertise and fill Entry Level Positions outside of the City referral system.

(c) Tenant shall interview qualified applicants and use good faith in hiring applicants. Tenant shall maintain good records of recruitment and hiring process, and shall permit Port or City to audit such records upon request.

Pursuant to Section 83.10 of the Ordinance, if upon administrative review, it is determined that Entry Level positions were not made available to the San Francisco Workforce Development system for referral of Qualified Economically Disadvantaged Individuals, and the Employer does not remedy the violations, the Employer shall be assessed a penalty in the amount of $2,070 for every new hire for an Entry Level Position improperly withheld from the First Source Hiring process.

Except as otherwise modified by this Second Amendment, all terms and conditions of the Original Lease shall remain in full force and effect.

///

IN WITNESS WHEREOF, PORT and TENANT execute this Second Amendment to Original Lease at San Francisco, California, as of the last date set forth below.

PORT:
CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation, operating by and through the SAN FRANCISCO PORT COMMISSION

By_____ Dated: _____
Theresa M. Picon
Director of Real Estate

TENANT:
CARL ERNST, JR. AND PIER 38 MARITIME RECREATION CENTER, INC.,
A CALIFORNIA CORPORATION, JOINTLY AND SEVERALLY

By _____ By _____

Its: _____ Its: _____

Dated: _____ Dated: _____

APPROVED AS TO FORM:
LOUISE H. RENNE, City Attorney

By_____
Deputy City Attorney

Amendment Prepared By: Phil Williamson, Senior Property Manager _____
(Initial)

G:\AMENDMENT TO LEASE 2001\Pier 38 MRC.doc/Phil:vw/6/19/01

FLOAT PLAN

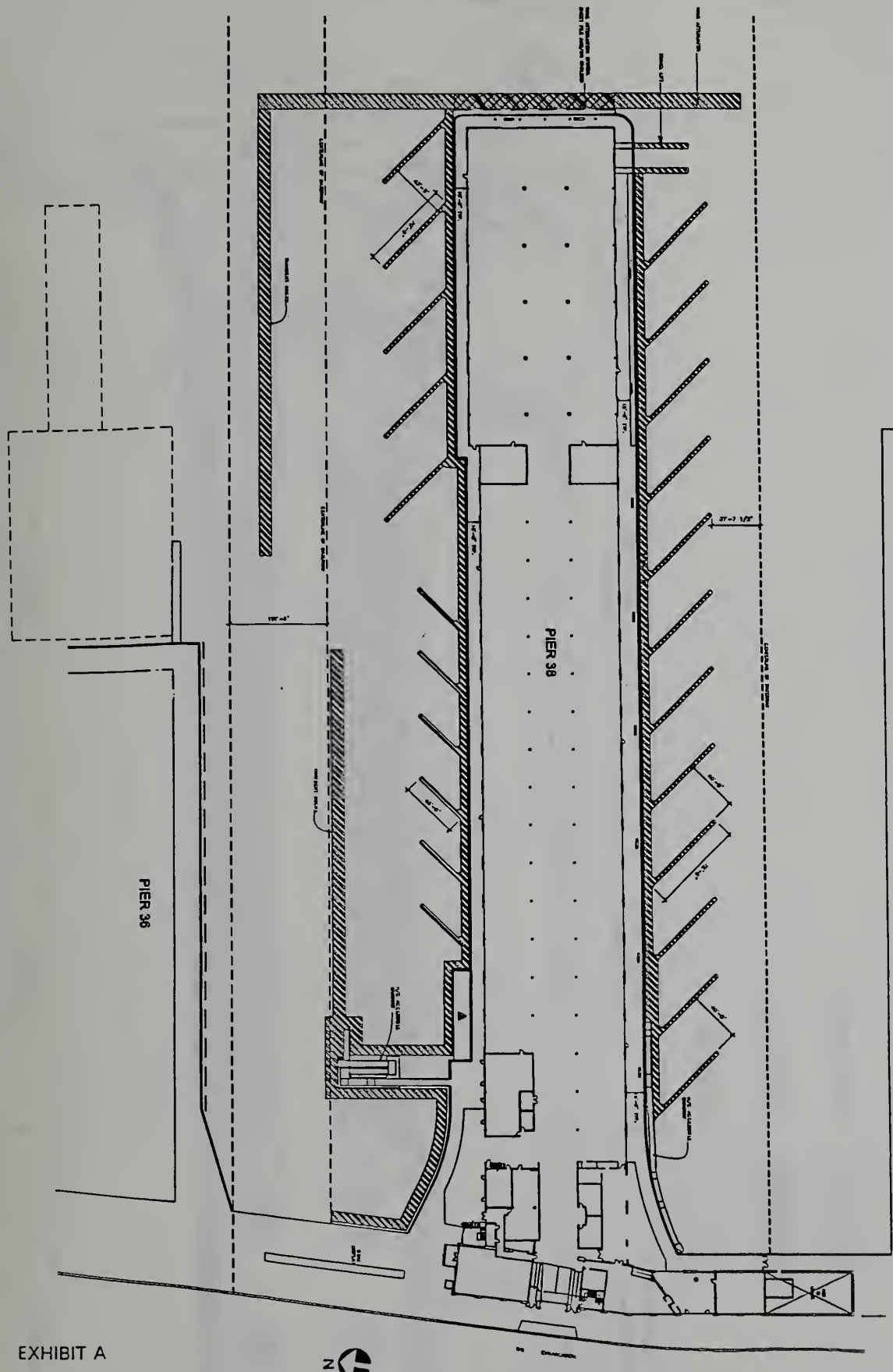


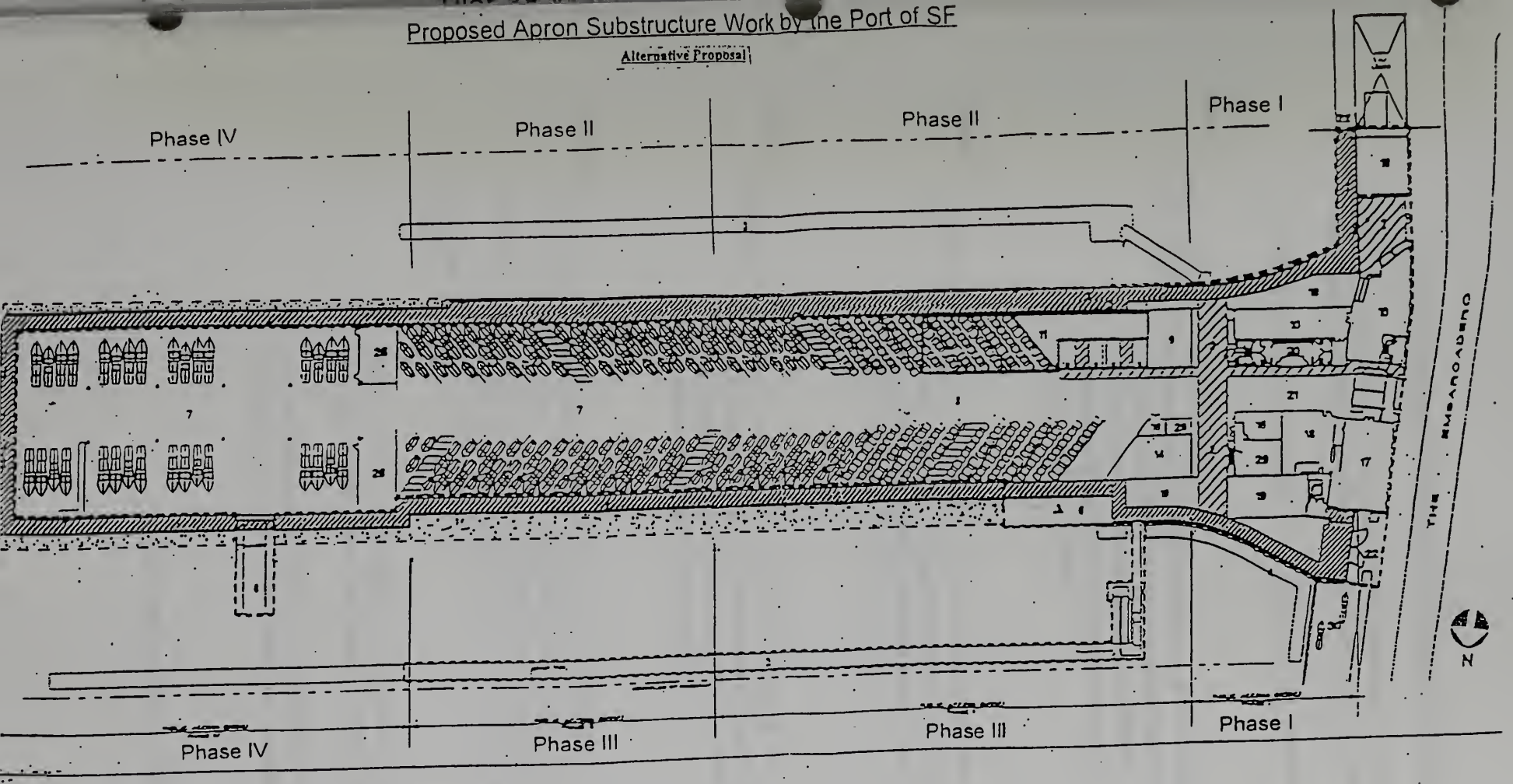
EXHIBIT A

INITIALS: Port_____ Tenant_____

F-1	Lease No. L-12120	PIER 38 MARITIME RECREATION CENTER INC. PIER 38 - THE EMBARCADERO SAN FRANCISCO, CALIFORNIA	June 21, 2001

Proposed Apron Substructure Work by the Port of SF

Alternative Proposal



Existing Wood Apron to be demolished.

Area of Future Public Access Per BCDC Permit No. 5-96

Pedestrian Lane thru Shed

Exhibit B

Initials: Port____Tenant____

Pier 38 Maritime Recreation Center Substructure Apron Work

Cost estimates by Port of San Francisco Engineering Manager for "Substructure Apron Work" to Comply with BCDC public access improvements per Permit No. 5-96.

(Note: Pier 38, Inc. is responsible for public access improvements atop the apron)

Phase I		
South side:	No work required.	$0
North side:	Demo and reconstruct substructure – Work is underway using Port Harbor Maintenance crew and approximately $100,000 in material acquisitions. The Harbor Maintenance Supervisor estimates the work can be completed by **June 1, 2001.**	$100,000
Phase II		
South side:	Repair wood apron. 16'x275'=4400sf @ $100 = (includes entire apron length between Phase I and IV) The Engineering and Maintenance Department says work could be completed by **June 1, 2002.**	$440,000
Phase III		
North side:	Demo wood apron. 18'x485'=8730sf @ $30 = (includes entire apron length between Phase I and IV) The Engineering and Maintenance Department says work could be completed by **June 1, 2003.**	$261,900
Phase IV		
South side:	Demo wood apron 16'x235'=3760sf @ $30 =	$112,800
	Construct wood apron 10'x235' = 2350sf @ $150 =	$352,500
North side:	Demo wood apron. 18'x260' = 4680sf @ $30 =	$140,400
	Construct wood apron 10'x270' = 2700sf @ $150 =	$405,000
East side:	No work required.	0
		$1,010,700
	Port will commit funding for the south and northside demolition work to be completed by **June 1, 2004.**	$253,200
	Port will commit funding for the south and northside construction work to be completed by **December 1, 2004.**	$757,500
	Grand Total for Port's Costs -	$1,812,600

Exhibit B

Initials: Port_____Tenant_____

PORT OF SAN FRANCISCO

MEMORANDUM

June 21, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Michael Hardeman
Hon. Denise McCarthy
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Approval on a one-time basis to extend by three hours the 11:00 p.m. curfew for a special event using amplified sound to be held on August 11, 2001 at Seawall Lot 337, located between Third Street, Terry Francois Boulevard, and Mission Rock Street. (Resolution 01-52)

DIRECTOR'S RECOMMENDATION: APPROVE CURFEW EXTENSION

A. BALLPARK PARKING LEASE AND SUBLEASE.

The China Basin Ballpark Company, LLC (herein "CBBC") entered into a Lease for approximately 14 acres of paved land at Seawall Lot 337 on November 26, 1997, to be used for parking for the new Pac Bell Park. This Lease was approved by the Port Commission on September 9, 1997 (Resolution 97-78). The Lease anticipated that CBBC might engage a parking operator to develop and manage the parking lot. CBBC chose Imperial Parking, Inc. (herein "Imperial") to fulfill that role as sublessee. This sublease was approved by the Port Commission on July 28, 1998 (Resolution 98-71).

Under Sections 1.6 and 8.1 of the Lease, CBBC may use the Premises for surface parking lot for bicycles and motor vehicles for baseball games and special events at, and any other permitted use of the Ballpark and/or the operation, maintenance, repair or improvement of the Ballpark, and for no other use without the prior written consent of the Port, not to be unreasonably withheld, conditioned or delayed. CBBC subsequently requested Port Commission approval of the use of the Premises for commuter parking and certain special events on a year-round basis. These expanded uses were approved by the Port Commission on October 10, 2000 (Resolution 00-79).

Under Resolution 00-79, the Port Commission imposed a number of conditions on special events held at Seawall Lot 337. Condition 5.d requires that all Special Events

involving amplified music or other events where the Special Event may involve similar noise impacts shall conclude by 11:00 p.m.

B. CONSENT TO EXTENSION OF CURFEW.

CBBC's parking operator, Imperial, has been approached by an event promoter, to hold a music and dance festival at Seawall Lot 337 on August 11, 2001, having a maximum attendance of the lesser of 50,000 people or the amount permitted by law. The event would be an outdoor music and dance event, including musical performances and other forms of amplified sound, concessions for the sale of food, beverages (including controlled alcoholic beverages subject to applicable City and State licenses and permits), arts & crafts, and other merchandise, amusements, carnival attractions and extreme sports with professional riders, games and attractions, and other public exhibition and activities related thereto. The promoter would like to extend the hours of the event until 2 a.m. from the current 11:00 p.m. curfew.

CBBC, Imperial and the event promoter would be subject to all other terms and conditions of Port Commission Resolution 00-79, which conditions have been attached as a condition to this Port Commission Resolution and rewritten to apply specifically to this event. In addition, the parties must also obtain all applicable event permits from other City Departments, including the Police Department.

The conditions of approval for this event are set forth in Attachment A attached to the Resolution, and include, among other matters, the following:

1. All revenues derived from all parking uses occurring on the Premises shall be included within total revenues generated from the Premises for the purposes of calculating "Net Operating Revenues" as set forth in Section 5.3(a) of the Lease.

2. Tenant shall comply with the certain notice and operating requirements described in Attachment A to the Resolution, giving Port and the affected community at least 30-days prior notice of the Special Event

3. Tenant will be responsible to pay for City services necessary to handle the Special Event, including the incremental costs of additional police, fire, public transportation, litter, street and sidewalk cleanup, first aid and paramedic services, and parking and traffic control services. If Tenant and the Executive Director are unable to agree upon the appropriate costs to be borne by Tenant for such services or if Tenant fails to satisfy any of the conditions that are required to be satisfied prior to the event, the Executive Director may revoke the consent to the Special Event.

4. Tenant will remove all debris and refuse resulting from the Special Event within 12 hours of its conclusion.

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 01-52

WHEREAS, Charter Section B3.581 empowers the Port commission with the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and

WHEREAS, The Port Commission approved the terms of a lease with the China Basin Ballpark Company, LLC ("CBBC") on September 9, 1997 (Resolution 97-78) for occupancy and use of a portion of Seawall Lot 337 (the "Premises"); and

WHEREAS, The Port Commission approved terms of a sublease of the Premises to Imperial Parking, Inc., a Delaware corporation ("Imperial") on July 28, 1998 (Resolution 98-71); and

WHEREAS, Under Sections 1.6 and 8.1 of the Lease, CBBC may use the Premises for surface parking lot for bicycles and motor vehicles for baseball games and special events at, and any other permitted use of the Ballpark and/or the operation, maintenance, repair or improvement of the Ballpark, and for no other use without the prior written consent of the Port, not to be unreasonably withheld, conditioned or delayed; and

WHEREAS, The Port Commission authorized as a permitted use under Section 1.6 of the Lease, the use of the Premises for commuter parking and special events on a year-round basis, subject to satisfaction and compliance with conditions attached thereto on October 10, 2000 (Resolution 00-79); and

WHEREAS, CBBC has requested Port Commission approval to hold a music and dance festival at Seawall Lot 337 on August 11, 2001, and would like to extend the hours of the event until 2 a.m. from the current 11:00 p.m. curfew; now therefore, be it.

RESOLVED, that the Port Commission hereby approves the special event using amplified music on August 11, 2001 and extends the curfew until 2:00 a.m., subject to satisfaction and compliance with those conditions attached hereto as Attachment A, and be it further

RESOLVED, that the Port Commission hereby authorizes the Executive Director to take all such further action as is required to implement the intent of this Resolution, including executing such further assurances and documents in such form as is approved by the City Attorney to the extent that the potential liability or obligations of the Port are not materially increased.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of June 26, 2001.

_____
Secretary

ATTACHMENT A

Conditions to Port Approval of Use of Seawall Lot 337 for a Special Event to be held August 11, 2001
(Attachment to Port Commission Resolution No. 01-52)

The following are the terms and conditions under which the Port Commission has conditioned its approval of and extension of curfew for a special event use under Port Lease No. L-12515 ("Lease"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Lease. By signing below, the Tenant has indicated its agreement to abide by all of the conditions set forth herein. All of the following conditions shall be deemed to be part of, and subject to, all of the terms and conditions of the Lease, including, without limitation, Section 8.2 (Prohibited Activities), Section 9 (Compliance with Laws and Regulations), Section 10 (Regulatory Approvals), Section 17 (Insurance), Section 20 (Indemnity), Section 23 (Default by Tenant), and Exhibit C-1 (Mitigation Measures) and C-2 (Improvement Measures).

A. Special Event. Tenant may use the Premises on August 11, 2001 for an outdoor music and dance event, including musical performances, theater performances and other forms of live entertainment, concessions for the sale of food, beverages (including controlled alcoholic beverages subject to applicable City and State licenses and permits), arts & crafts, and other merchandise, amusements, carnival attractions and extreme sports with professional riders, games and attractions, and other public exhibition and activities related thereto (collectively, "August 11, 2001 Special Event"), subject to the following conditions:

1. Tenant may use the Premises for the August 11, 2001 Special Event, provided, however, that the Executive Director may revoke or condition this consent if he reasonably anticipates that the August 11, 2001 Special Event would violate Section 8.2 of the Lease (Prohibited Activities), or if Tenant has failed to satisfy any of the conditions contained herein that are required to be satisfied prior to the Special Event.

2. All revenues derived from the August 11, 2001 Special Event shall be included for the calculation of "Net Operating Revenues" as set forth in Section 5.3(a) of the Lease.

3. Tenant shall comply with the following notice and operating requirements with regard to the August 11, 2001 Special Event:

    a. Tenant shall provide notice of August 11, 2001 Special Event at least thirty-days prior to such August 11, 2001 Special Event to the Rincon Point-South Beach CAC, property managers in the area and others who have requested notice.
    b. Tenant shall send notice to neighbors or neighborhood organizations requesting notice of any request for a loud speaker permit so that they may raise concerns, if any, at any hearings.
    c. The August 11, 2001 Special Event involving amplified music shall conclude by 2:00 a.m.
    d. Tenant shall remove from the China Basin Shoreline Park and adjacent Port facilities all debris and refuse resulting from use of the Premises within 12 hours of the conclusion of the August 11, 2001 Special Event.

e. In conducting the August 11, 2001 Special Event, Tenant shall provide at no cost to Port or City, services as are necessary and appropriate to the August 11, 2001 Special Event uses, including but not limited to, (I) repair and maintenance of the Improvements as more particularly described in Section 11 of the Lease, (ii) utility services, (iii) adequate security, including crowd control and management, parking and traffic control and first aid, during and for a reasonable period before and after the August 11, 2001 Special Event (iv) litter pick-up, (v) additional public transportation services required, and (vi) such other services as may be necessary or appropriate for a professionally-run Special Event.

f. With respect to the August 11, 2001 Special Event, the Executive Director and Tenant shall negotiate in good faith with each other and with any affected City departments to determine what Designated Services would be reasonably required in connection with the August 11, 2001 Special Event, and the incremental costs of providing such Designated Services with respect to the August 11, 2001 Special Event, taking into account all the facts and circumstances, including the security, transportation plan, litter pick-up, parking and traffic control and other such services to be provided by Tenant and/or the sponsor of the August 11, 2001 Special Event. The Executive Director may revoke the consent to the August 11, 2001 Special Event if Tenant has failed to agree to pay Port (or City, as applicable) for the actual and reasonable incremental cost of providing Designated Services with respect to such Special Event, in an amount (A) agreed to in advance by Tenant and the Executive Director, or (B) reasonably determined by the Executive Director. The term "Designated Services" shall mean, with respect to the August 11, 2001 Special Event, such levels of incremental police services, fire marshal services, public transportation, litter pick-up, street and sidewalk cleanup, first aid and paramedic services, and parking and traffic control services, as the Parties agree in advance are reasonably required by, and will be provided by City to the Premises and/or the surrounding area in connection with, such Special Event. Tenant shall not be required to reimburse City or Port for any costs of providing City services to or in connection with the August 11, 2001 Special Event, except to the extent of the incremental costs of Designated Services as agreed in advance, or as Tenant and the Executive Director otherwise agree in writing. In particular, the Parties intend that such an agreement may, with respect to the August 11, 2001 Special Event, include provisions for the payment by Tenant (or the sponsor of the August 11, 2001 Special Event), if the actual attendance at such Special Event materially exceeds the estimated attendance, of costs directly resulting from the provision of Designated Services in excess of the levels which were agreed upon based on estimated attendance.

B. Approvals Under Planning Code Section 985.

Without limiting the provisions of Lease Section 9 (Compliance with Laws and Regulations), Tenant shall obtain any required authorizations for the August 11, 2001 Special Events under Planning Code Section 985.

The undersigned agrees to comply or cause its event sponsor to comply with all of the terms and conditions of the foregoing Attachment A

CHINA BASIN BALLPARK COMPANY LLC, a Delaware limited liability company

_____

By:

Its:

Date:

PORT OF SAN FRANCISCO

MEMORANDUM

June 21, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Briefing on Status of Planning & Development Projects

DIRECTOR'S RECOMMENDATION: NO ACTION REQUIRED.

Most of the Port's property consists of former public tidelands, which are held in public trust for the people of California. As trustee since 1969 pursuant to the Burton Act, the Port Commission is responsible for managing this property on a self-supporting basis to promote navigation, fisheries, maritime commerce, protect natural resources and develop recreational uses that attract people to enjoy the Bay and waterfront. The Commission's land use policies for all property under its jurisdiction are contained in the Waterfront Land Use Plan and its Waterfront Design & Access element ("Waterfront Plan"), approved in 1997, as amended. The Port has been working on a number of projects to implement this Waterfront Plan. These include additional community planning within specific sub-areas of the waterfront, as well as commercial development, maritime and open space / public access projects. The purpose of this report is to identify and provide an update on the status of the major projects underway, which are managed by the Planning & Development Division.

THIS PRINT COVERS CALENDAR ITEM NO. 7A

MAJOR PLANNING PROJECTS

BCDC and Port Coordination

On July 20, 2000, the San Francisco Bay Conservation and Development Commission (BCDC) and Port Commission unanimously approved amendments to BCDC and Port plans for the San Francisco waterfront. This historic achievement was the result of four years of coordinated planning by BCDC, the Port, Save San Francisco Bay Association, the San Francisco Planning Department, and the waterfront community. As a result, BCDC and Port plans now share objectives for creating major new public plazas, open water basins and public access improvements while providing more flexibility to carry out projects consistent with the Public Trust Doctrine for Port property located between Pier 35 and China Basin.

The amended BCDC and Port plans set forth a funding and implementation schedule to realize the removal of specified piers to create open water basins, and to develop two new plazas in the Northeast Waterfront subarea (the Northeast Wharf Plaza) and in the South Beach Waterfront subarea (the Brannan Street Wharf). The first implementation project is the removal of Pier 34, a dilapidated pier next to the proposed Bryant Street Pier and cruise terminal project at Pier 30-32. The Port's Engineering Division awarded the construction bid in May 2001. Removal of Pier 34 will begin in July 2001 and is expected to be completed by November 2001.

The removal of Pier 34 will open up a portion of the future site of the Brannan Street Wharf Plaza. To ensure a high quality of design for this new public plaza, the Port and BCDC are proceeding with a community planning process to develop a conceptual design. The Port received a $100,000 grant from the California Coastal Conservancy to supplement $50,000 in Port funds to fund this community design project. The Port, BCDC and Coastal Conservancy interviewed and selected a design consultant team led by Sasaki Associates to assist this effort. This summer, the Port and BCDC will convene a community advisory committee made up of neighborhood, citywide and regional stakeholders to work with the City, BCDC and Sasaki team, to develop the plaza's conceptual design. This public planning effort will be conducted with ongoing coordination with Save the Bay Association, a key party in the Port and BCDC's joint planning process, the San Francisco Redevelopment Agency, Planning Department, and Recreation and Park Department.

Historic Preservation Planning

The Port's Waterfront Plan includes policies to preserve Port historic resources. As described in further detail later in this report, the Port has completed or is currently undertaking several important historic restoration projects: Pier 1 restoration; Ferry Building restoration; Piers 1½ - 3 - 5 restoration; Pier 43 Ferry Arch restoration; Piers 29-31 restoration; and the Pier 70 Development Opportunity Site, which includes restoration of historic Union Iron Works/Bethlehem Steel buildings.

Last year, the Port worked with historic preservation consultants and experts to gather and review the numerous surveys that have been completed for waterfront historic resources. This led to the Commission's approval of Resolution 00-16 on February 22, 2000, directing Port staff to prepare the materials necessary to nominate to the National Register of Historic Places a Northern Waterfront Maritime Historic District, located between Pier 45 and China

Basin. The completion of this work was coordinated with the BCDC/Port/Save The Bay joint planning process to produce the BCDC plan amendments described above. Based on input from preservation experts and historic architects, Port staff will issue a Request for Proposals for consultant services in June 2001 to complete the Northern Waterfront Maritime Historic District nomination for Port Commission approval by February 2002. In addition to, and in concert with, the National Register nomination, Port staff will be developing design criteria to provide guidance in the rehabilitation of National Register-listed historic resources. Following public review and comment, these design criteria will be incorporated into the Waterfront Plan's Design & Access Element.

Southern Waterfront Planning

At the direction of the Port Commission, the Southern Waterfront Advisory Committee (SWAC) was established to provide regular communication between the Port and the Southern Waterfront community. The SWAC, made up of representatives of neighborhood, maritime, environmental and labor interests, meets monthly and provides input and recommendations on land use, planning and environmental issues affecting generally that portion of the Southern Waterfront from the Western Pacific site to India Basin. All proposed Southern Waterfront leases are presented to the SWAC for review, comment and recommendation prior to being considered by the Port Commission for approval.

The Port has received several lease proposals for Pier 80, and Piers 90 through 96 in the Southern Waterfront. Many are for maritime industrial or other industrial activities north and south of Islais Creek. In addition, the Port is proposing projects to improve Port maritime operations, including the Illinois Street rail and truck bridge between the Port's North and South cargo terminals. A number of these proposed uses (e.g. concrete-batching plants, crushing and recycling, storage of aggregate for concrete operations) have raised environmental and public health concerns with the Bayview/Hunter's Point neighborhood. The proposed projects have been evaluated in a Final Supplemental EIR (SEIR) to the Waterfront Plan EIR, which was certified by the Planning Commission on February 15, 2001. The SEIR includes a series of mitigation measures, which will be incorporated, as relevant, in any proposed leases considered for approval by the Port Commission. The Port Commission has emphasized its commitment to ensuring that all new leases incorporate state-of-the art mitigation measures. Towards that end, the Port has developed a dust mitigation monitoring program. In addition, the Port is working with the Alliance for a Clean Waterfront to develop a Southern Waterfront Storm Water Master Plan, tailored to the types of industrial uses that may be approved in the area.

In addition to evaluating current lease proposals, the Port is working with the SWAC and interested community to conduct further development planning for land located upland of the Port's marine terminals, the "Pier 90-94 Backlands". This effort begins with the completion of a Maritime Industrial Study. A draft of this report, produced by a team of maritime, planning and economic consultants, was released in May 2001. Its purpose is to identify maritime market trends and facility needs in the Southern Waterfront, which is an important factor in determining the degree to which the Pier 90-94 Backlands may be surplus to current or long-term maritime needs and thus available for other uses. The process for identifying potential other uses of any surplus property will be conducted with the SWAC and other interested community organizations. The draft Maritime Industrial Study was

presented to the Port's Maritime Commerce Advisory Committee, the SWAC and Port Commission in May, and is expected to be finalized in July.

Fish Alley Area Planning

The Waterfront Plan created some ambiguity regarding the future mix of uses and preservation of the architectural character of the Fish Alley Area in Fisherman's Wharf (Seawall Lots 302 and 302, located north of Jefferson Street between Jones and Hyde Streets). For example, it is the only area indicated in the Waterfront Plan as both a "Maritime Area" and a "Mixed Use Opportunity Area." Consequently, in January 2000, Port staff began a planning process with the Fisherman's Wharf Waterfront Advisory Group, which meets monthly, to clarify these use and design issues related to the Fish Alley Area.

As part of this planning process, Architectural Resources Group prepared a draft Fish Alley Study Area Historic Resources Evaluation and Design Recommendations report. Based upon its analysis, Architectural Resources Group has recommended the creation of an architectural character district for the Fish Alley Area, along with specific design guidelines. The Fisherman's Wharf Waterfront Advisory Group is evaluating these recommendations, and is considering use policies recommendations for the Fish Alley Area. With the input from this advisory group, Port staff anticipates that it will make recommendations to the Port Commission at the beginning of the third quarter 2001 on amendments to the Waterfront Plan to resolve these issues concerning the Fish Alley Area.

MAJOR COMMERCIAL DEVELOPMENT, MARITIME, AND OPEN SPACE PROJECTS

Attached are Project Summary Sheets for each of the major commercial development, maritime and open space projects currently being managed by Planning & Development Division staff. Planning & Development's lead staff member for each project is indicated in **bold**. A Project Location map, which is included on the next page, shows the specific location of each project referenced in this summary. A Summary Schedule, which is attached at the end of this report, shows the basic timeline for each project.

These major commercial development, maritime and open space / public access projects are of two fundamental types:

1. Public / Private Partnership Projects. The Port's Waterfront Land Use Plan identified several Waterfront Mixed Use Opportunity Areas where commercial development is encouraged as a part of mixed use developments which also include maritime, open space and public access uses. Such projects are typically undertaken as public / private partnerships, in which the Port enters into a development agreement and long-term lease with a private developer who is selected through a request for proposals process. The following Project Summary Sheets identify the Waterfront Mixed Use Opportunity Area in which each project is located.

2. Port Projects. In addition to public / private partnership projects in Waterfront Mixed Use Opportunity Areas, the Port undertakes public projects throughout the San Francisco Waterfront. These Port projects involve maritime, open space and public access uses. For large Port projects (such as ferry terminals and the Hyde Street Harbor), the initial

planning is typically managed by the Port's Planning & Development Division. After this initial planning is completed and most or all of the regulatory entitlements have been secured, the management for these projects is transitioned to the Port's Engineering & Maintenance Division. Smaller Port projects, such as the Pier 43 Arch restoration, are typically managed throughout by the Port's Engineering and Maintenance Division.

In order to understand the full scope of Port projects currently in process, it is therefore important to review both this status report of Planning & Development projects and the concurrent status report of Engineering & Maintenance projects.

Prepared by: Byron Rhett, Director, Planning & Development

I:\Kirk\Plng & dev update - June 2001.doc

LEAVE THIS PAGE BLANK FOR THE MAP

1. PIER 45 PUBLIC ATTRACTION PROJECT

TYPE OF PROJECT Public/Private Partnership Project
Fisherman's Wharf Mixed Use Opportunity Area

PROJECT STAFF **Byron Rhett, Director of Planning & Development**
Curt Watts, Development Project Coordinator

DEVELOPER **San Francisco at the Wharf, LLC** (The Malrite Company, L.P., as sole 100% owner)

PROJECT DESCRIPTION Development and operation of a public attraction at Pier 45 Shed A that creates uses which have a quality educational/learning/ interpretive focus; are strong enough to significantly enhance the image of Fisherman's Wharf; and support the long-term future of the fishing industry. The public attraction will incorporate San Francisco Bay and maritime oriented themes.

STATUS An RFP was issued for this project on August 25, 1999, and, submittals were received on January 25, 2000 from The Bay Center Coalition for The Bay Center; and San Francisco at the Wharf, LLC for San Francisco at the Wharf.

On June 13, 2000, the Port Commission awarded San Francisco at the Wharf LLC the opportunity to enter into an exclusive right to negotiate agreement for the development and lease of Pier 45 Shed A for its proposed San Francisco Interactive History Museum, and this agreement was executed on August 15, 2000. The extended expiration date of the original term of the agreement was April 15, 2001. On April 10, 2001 the Port accepted the developer's termination of its exclusive rights to negotiate with the Port regarding Pier 45 Shed A and its concurrent withdrawal of the San Francisco Interactive History Museum from the Port's consideration.

SCHEDULE

June 13, 2000	Port Commission selected San Francisco at the Wharf, LLC for exclusive negotiations
April 10, 2001	Port accepted Developer's termination of exclusive rights to negotiate and its concurrent withdrawal of the San Francisco Interactive History Museum from the Port's consideration.

2. PIER 43 PUBLIC FERRY TERMINAL

TYPE OF PROJECT Port Project

PROJECT STAFF Diane Oshima, Manager, Waterfront Planning
Dan Hodapp, Planner
Denise Turner, Wharfinger

PROJECT DESCRIPTION A ferry terminal will be constructed at Pier 43 to provide a publicly accessible ferry landing in Fisherman's Wharf. The project will include a floating berth, pilings, gangway system, and ramps to connect to Pier 43.

STATUS The City of Vallejo secured $1.6 million in Federal Ferry Boat Funds and $400,000 in California Transportation Commission funds for the project. The Port and the City of Vallejo have negotiated a cooperative agreement through which the City of Vallejo will fund the project, and manage the design and construction of the terminal. The City of Vallejo has hired a design team and working with Port staff has developed a preliminary design and 60-percent construction drawings for the terminal. The City of Vallejo is currently completing the environmental review for the project and seeking necessary funds to match the most recent cost estimates.

APPROVALS The Port Commission approved the cooperative agreement with Vallejo, and must approve a landing rights agreement for the facility. Approval must also be received from BCDC, Army Corps of Engineers and Regional Water Quality Control Board.

PRIMARY CONSULTANT Moffatt and Nichol Engineers

SCHEDULE

June 1998	Cooperative Agreement finalized
November 1998	Vallejo issued RFP for design consultant
February 2000	30% Design completed
Fall 2000	Applied for BCDC and other permits
Spring 2002	Projected start of construction

3. PIERS 27 – 31 MIXED USE RECREATION PROJECT

TYPE OF PROJECT Public/Private Partnership Project
Chestnut/Lombard Street Piers Mixed Use Opportunity Area

PROJECT STAFF Byron Rhett, Director, Planning & Development Division
Curt Watts, Development Project Coordinator

DEVELOPER **SF Piers 27-31 LLC** (The Mills Corporation, a real estate investment trust)

PROJECT DESCRIPTION Development and operation of a mixed use Recreation Project on Piers 27 – 31. This project is intended to create a local and regional destination serving a wide range of recreational interests, including both active and passive recreational activities. In addition to other ancillary uses, the recreation project will provide for public access through and around Piers 27 – 31. An open space network, including the Northeast Wharf Plaza at the front of Pier 27, will provide expansive views of San Francisco Bay as well as views of recreational activities.

STATUS Following a planning process which included the Northeast Waterfront Advisory Group, BCDC and the Port Commission, an amended RFP was issued on August 31, 2000. Submittals were received on December 5, 2000 from Chelsea Piers, L.P. and The Mills Corporation.

On April 18, 2001, the Port Commission awarded The Mills Corporation the opportunity to enter into an exclusive right to negotiate agreement for the development and lease of Piers 27-31 for its proposed mixed use Recreation Project. The specific terms of this agreement are currently being negotiated.

PROJECT APPROVALS The project will require approvals from the Planning Department Major Environmental Analysis, Waterfront Design Advisory Committee, Port Commission, BCDC, and the Board of Supervisors, as well as perhaps the Army Corps of Engineers and RWQCB.

SCHEDULE

December 5, 2000	Two developer proposals submitted for consideration.
April 18, 2001	Port Commission selected The Mills Corporation for exclusive negotiations
August 2002	Projected start of construction
February 2004	Projected completion of construction

4. HOTEL PROJECT AT BROADWAY & THE EMBARCADERO

TYPE OF PROJECT	Public/Private Partnership Project Broadway Pier Mixed Use Opportunity Area
PROJECT STAFF	Kirk Bennett, Manager, Waterfront Development Projects **Jennifer Sobol, Development Project Coordinator**
DEVELOPER	**Stanford Hospitality, Inc.**
PROJECT DESCRIPTION	Development of a first-class, four-star, full-service hotel consisting of approximately 415 rooms, with restaurants, cocktail lounges, spa, European fitness center, meeting rooms, retail shops and underground parking, located at Broadway and The Embarcadero.
STATUS	Negotiations are on-going with the selected developer, Stanford Hospitality, Inc. No brand has been selected yet. The project was presented to various community groups and stakeholders, and in response to comments received, the developer is revising the hotel plans to lower the overall height and address other community concerns. New plans will be presented to the Northeast Waterfront Advisory Group and various community groups in June and July, 2001. The Environmental Evaluation application has been filed with the Planning Department, and a Supplemental EIR is underway. A Notice of Preparation was issued in March.
APPROVALS	The project will require CEQA review, design review by *the Waterfront Design Advisory Committee,* a conditional use authorization from the Planning Department, and a Certificate of Appropriateness from the Landmarks Preservation Board. Approvals of the Lease will be required by the Port Commission and the Board of Supervisors.
PRIMARY CONSULTANTS	Blunk DeMattei Associates (architecture); EIP Associates (environmental review); Real Estate Planning Strategies (community relations); Sheppard Mullin Richter & Hampton (land use attorneys)
SCHEDULE MILESTONES	October, 2001 Publish Draft Supplemental EIR June 2002 Projected start of construction January 2004 Completion of construction

5. PIERS 1½ - 3 - 5 MIXED USE PRESERVATION PROJECT

TYPE OF PROJECT
Public/Private Partnership Project
Ferry Building Mixed Use Opportunity Area

PROJECT STAFF
Kirk Bennett, Manager, Waterfront Development Projects
Jennifer Sobol, Development Project Coordinator
Ed Byrne, Engineering Manager

DEVELOPER
San Francisco Waterfront Partners LLC (Putnam Waterfront Partners, LLC)

PROJECT DESCRIPTION
Development of a Mixed Use Preservation Project involving Piers 1½, 3 and 5 bulkhead buildings, Pier 1½, and a portion of Pier 3. The project includes preservation and rehabilitation of the bulkhead buildings, extensive public access walkways along the water and the Port Walk, four food service establishments, new office development, a water taxi landing, transient boat berthing and a ticket office/Visitor Center for Hornblower Dining Yachts.

STATUS
Negotiations are on-going. The Environmental Evaluation application has been filed with the Planning Department, the developer has undertaken soil and pile tests, BCDC staff has initially reviewed the project, and the *Waterfront Design Advisory Committee* has reviewed the schematic designs for the project.

APPROVALS
The project will require approvals from the Planning Department, Major Environmental Analysis, Waterfront Design Advisory Committee, Port Commission, BCDC, the Army Corps of Engineers, the RWQCB and the Board of Supervisors

PRIMARY CONSULTANTS
Hannum Associates (architect); Carey& Co. (historic architect); Pacific Affairs Management (environmental), Primus (construction management); Farella Braun & Martel LLP (legal); Holmes Culley (structural engineers)

SCHEDULE

January 9, 2001	Port Commission selected San Francisco Waterfront Partners, LLC for exclusive negotiations
March 2002	Projected start of construction
September 2003	Projected completion of construction

6. PIER 1 MARITIME OFFICE BUILDING

TYPE OF PROJECT
Public/Private Partnership Project
Ferry Building Mixed Use Opportunity Area

PROJECT STAFF
Kirk Bennett, Manager, Waterfront Development Projects
Jennifer Sobol, Development Project Coordinator
Mary Ilyin, Project Manager for Relocation of Port Offices
John Zoranovich, Construction Administrator

DEVELOPER
AMB Property Corporation

PROJECT DESCRIPTION
Pier 1 has been converted from a parking garage to a 150,000 square feet of Class-A office space. It houses the Port's new administrative offices and is the headquarters for the developer, AMB Property Corporation. It will soon house other office tenants and include a newly renovated Pier 1 Deli. Nearly one acre of new public access extends around the pier perimeter. The Port's conference rooms will be made available to the public after hours for meetings and events.

STATUS
Construction is nearly complete. An Exhibits Design consultant is assisting Port staff in preparing the Port Story, a wall of photographs and exhibits along the Bayside History Walk depicting the Port's history and business lines. AMB moved into its offices in mid-December, and the Port moved into its offices in mid-February. Other tenants are Venture Law Group and Weston Presidio Capital. The newly-renovated Pier 1 Deli will open in June.

APPROVALS
All necessary regulatory approvals were obtained prior to starting construction

PRIMARY CONSULTANTS
Simon Martin-Vegue Winkelstein Moris (Pier 1 architect); Tom + Aguila (Port architects); Nibbi Brothers (general contractor)

SCHEDULE

December 2000	AMB moved to Pier 1
February 2001	Port moved to Pier 1
July 2001	Projected completion of construction

7. FERRY BUILDING REHABILITATION PROJECT

TYPE OF PROJECT	Public/Private Partnership Project Ferry Building Mixed Use Opportunity Area
PROJECT STAFF	**Alec Bash, Waterfront Planner—Special Projects** Curt Watts, Development Project Coordinator Mary Ilyin, Project Manager
DEVELOPER	**Ferry Building Investors, LLC** (Wilson/Equity Office, Wilson Meany LLC, Primus Infrastructure and Real Estate Company, LLC)
PROJECT DESCRIPTION	Redevelopment of this National Register and City Landmark building with a ground floor public market, restaurants, transportation and public uses, and complementary upper floor office uses and the Port Commission Meeting Room. The historic Nave Bay will be recreated and historic facades restored.
STATUS	A developer Request for Qualifications and Proposals was issued in May 1998. The Commission in August 1999 approved a Lease Disposition and Development Agreement and Ground Lease with Ferry Building Investors LLC. The Waterfront Design Advisory Committee approved Design Recommendations for the project in October 1999, after which the Port Commission approved the Schematic Design in November 1999. Environmental review is complete and a Historic Preservation Certification Application for tax credits has received initial approvals.
APPROVALS	The project has received all necessary regulatory approvals.
PRIMARY CONSULTANTS	SMWM (architect), Page & Turnbull (preservation architect), Baldauf Cotton Von Eckartsberg (retail architect), Plant Construction (general contractor)

SCHEDULE MILESTONES		
	March 2001	Lease conveyed
	April 2001	Commencement of construction
	September 2002	Projected completion of construction

8. RINCON PARK RESTAURANT

TYPE OF PROJECT Public/Private Partnership Project
Rincon Point/South Beach Redevelopment Plan Area

PROJECT STAFF Anne Cook, Manager, Waterfront Development Projects
Kari Kilstrom, Development Project Coordinator
Leo Bragagnolo, Engineering Project Manager
Mark Lozovoy, Real Estate

DEVELOPER **Nice Ventures, Inc.**

PROJECT DESCRIPTION The 20,000 square foot site is located at the south end of the approximately 3-acre Rincon Park which will stretch along The Embarcadero between Howard and Harrison Streets. Through an agreement between the GAP (which is building a headquarters office building at Folsom and Steuart Streets) and the Redevelopment Agency, the Park will be designed, constructed and maintained. The restaurant site is within the Rincon Point/South Beach Redevelopment Plan Project Area, and was the subject of a 1995 Agreement to Lease between the Port and the Redevelopment Agency.

STATUS On July 25, 2000, the Port Commission approved the Development Agreement (including the Ground Lease) and approved the Schematic Drawings for the Restaurant Site, and .on October 19, 2000, the Board of Supervisors approved the Lease. The Port and developer are currently discussing the delayed delivery to the Port of the Financing Plan and Preliminary Construction Documents and appropriate remedies for moving forward with the project.

APPROVALS The project will require a permit from BCDC and a Building Permit from the Port

SCHEDULE

March 1999	Port Commission authorized exclusive negotiations with Nice Ventures Inc.
July 2000	Port Commission approved Development Agreement and Lease and Schematic Design
September 2001	Projected start of construction
August 2002	Projected completion of construction

9. BRYANT STREET PIER OPPORTUNITY AREA (PIER 30-32/SWL 330)

TYPE OF PROJECT
Public/Private Partnership Project
Bryant Street Pier Mixed Use Opportunity Area

PROJECT STAFF
Anne Cook, Manager, Waterfront Development Projects
John Doll, Development Project Coordinator
Leo Bragagnolo, Engineering
Stephanie Downs, Finance
Mike Nerney, Maritime
Jay Ach, Environmental

DEVELOPER
San Francisco Cruise Terminal LLC – "SFCT" (Lend Lease Development, PSA (USA) Inc., Chinese Maritime Transport Ltd., and Whitney Cressman LLC)

PROJECT DESCRIPTION
In June 1999, the Port issued an RFQ/P to design and develop the Bryant Street Pier Project, including the James R. Herman International Cruise Terminal, on the approximately 13-acre Pier 30-32 and 3-acre Seawall Lot 330. The Project will serve as the focal point for maritime, commercial and public activity between the new Pacific Bell Ballpark and downtown. Acceptable uses for the mixed-use component include, but are not limited to, retail, office, entertainment, hotel, residential public access and open space.

STATUS
Since the Port Commission on January 11, 2000 approved entering into exclusive negotiations with SFCT, the Developer has conducted a series of market and due diligence studies, and the Port and the Developer have conducted a series of outreach meetings to numerous community, regulatory and user groups to receive their input as the design of the project evolves.

APPROVALS
The project will require approvals from the Planning Department Major Environmental Analysis, Waterfront Design Advisory Committee, Port Commission, BCDC, the Board of Supervisors, the Army Corps of Engineers, and perhaps RWQCB and other agencies.

SCHEDULE

June 1999	Port issued RFQ/P
October 1999	Two proposals submitted
January 2000	Port Commission selection of developer for exclusive negotiations
January 2000	Exclusive Negotiation period began

June 2001	Notice of Preparation of Supplemental Project EIR Expected
Summer/Fall	Draft EIR expected
Winter/Spring 2002	Project Approvals expected
June 2002	Proposed commencement of construction
June 2004	Completion of construction

10. BRANNAN STREET WHARF

TYPE OF PROJECT Port Project

PROJECT STAFF Diane Oshima, Manager, Waterfront Planning
Dan Hodapp, Planner
Anne Cook, Manager, Waterfront Development Projects

PROJECT DESCRIPTION Brannan Street Wharf is a new open space identified in the Port's Waterfront Design & Access Element and the recently adopted BCDC Special Area Plan. It will be a bayfront urban park to serve the neighborhood and the entire region, located on The Embarcadero between Piers 30-32 and 38. It will replace Piers 34 and 36. The scope of this project is to prepare a concept design plan for the Brannan Street Wharf. The park will likely include opportunities to walk out over the water, quiet spaces to enjoy spectacular views, and facilities for regional events.

On August 3, the Commission of the California Coastal Conservancy authorized a grant for $100,000 to the Port of San Francisco to develop a design plan for Brannan Street Wharf. On April 17, 2001, the Commission approved a contract with Economics Research Associates as the consultant team to assist staff in conducting a public design process for the park.

STATUS Port staff finalized the grant agreement with the California Coastal Conservancy. The initial CAC and community workshops are being scheduled.

PROJECT APPROVALS The project will be presented to the Port Commission for consideration of approval and will require permits from BCDC and the Army Corp of Engineers.

SCHEDULE

Spring 2001	Select consultant team
Summer 2001	Begin public design process
Winter 2002	Complete concept design

11. China Basin Shoreline Park

Type of Project Port Project

Project Staff Diane Oshima, Manager, Waterfront Planning
Dan Hodapp, Planner

Project Description As part of the construction of the Pacific Bell Ballpark the China Basin Ballpark Company (CBBC) will be improving as a public park an area east of Third Street between the south edge of China Basin Channel and Terry Francois Boulevard. The park improvements will follow the Port's China Basin Shoreline Stabilization project in this area. Port staff has worked with CBBC in developing a concept design and reviewing it publicly with neighborhood organizations.

Status The concept design was recently completed and construction drawings are now being prepared. Construction is expected to begin in the Fall of 2001.

Project Approvals Environmental Review was certified and a BCDC permit was approved as part of the ballpark. BCDC and the Port's design review consultants will review the final design.

Primary Consultants Pat O'Brien, Landscape Architects

Schedule

June 2000	Concept Design Completed
November 2001	Begin construction
March 2002	Construction Completed

12. PIER 70 OPPORTUNITY AREA (PIERS 66-68/SWL 345, 349)

TYPE OF PROJECT

Public/Private Partnership Project
Pier 70 Mixed Use Opportunity Area

PROJECT STAFF

Anne Cook, Manager, Waterfront Development Projects
Alec Bash, Waterfront Planner Special Projects
Kari Kilstrom, Development Projects Coordinator
Marc Paez, Planner

PROJECT DESCRIPTION

The Waterfront Land Use Plan identifies an approximately 14-acre Mixed Use Opportunity Area in the vicinity of Pier 70, between 18th and 21st streets. Several of the historic Union Iron Works/Bethlehem Steel buildings are included within this Opportunity Area. The Waterfront Plan allows non-maritime land uses in this area which result in the preservation and adaptive reuse of the historic buildings, provided they are consistent with the Waterfront Plan and do not adversely impact nearby water-dependent uses or associated support services. New construction will be permitted provided that public access improvements are extended to the water's edge as indicated in the Waterfront Plan, and other Waterfront Plan criteria are met, including the preservation and adaptive reuse of historic buildings.

STATUS

In 2000, Port staff (1) formed and met with the Pier 70 Advisory Group to formulate the goals and objectives for the Pier 70 development RFP; (2) hired an economic consultant to perform economic and planning analyses of the site; and (3) conducted a Phase II environmental analysis of the site through a grant with the federal Environmental Protection Agency. In November 2000, in response to a request from the Mayor's Office, the Port Commission directed Port staff to issue a separate RFP for at least 150,000 square feet of non-profit arts space within the Pier 70 Opportunity Area. The Advisory Group completed the development goals and objectives in December. The Commission amended the Waterfront Land Use Plan in February 2001 to modify the boundaries of the Opportunity Area and include Artists/Designers as an acceptable use, and authorized issuance of RFPs for both the non-profit arts project and mixed use project. These RFPs were issued March 19, 2001 with June 26, 2001 set as the due date for proposals.

APPROVALS

The projects will require approval from the Port Commission, Planning Department, BCDC and San Francisco Board of Supervisors. CEQA review and an Environmental Impact Report (EIR) may also be required

SCHEDULE

December 2000	Completed development of project goals and objectives and feasibility analyses
March 19, 2001	RFP's issued
June 26, 2001	Deadline for Receipt of Proposals

PORT OF SAN FRANCISCO

MEMORANDUM

June 21, 2001

TO: MEMBERS, PORT COMMISSION
Hon. Kimberly Brandon, President
Hon. Brian McWilliams, Vice President
Hon. Denise McCarthy
Hon. Michael Hardeman
Hon. Pius Lee

FROM: Douglas F. Wong
Executive Director

SUBJECT: Informational Briefing on Status of Port Facilities & Maintenance Projects

DIRECTOR'S RECOMMENDATION: NO ACTION REQUIRED

The Facilities & Maintenance Division is responsible for the design, construction management and construction of all Port sponsored facilities maintenance and capital projects. In the past, a status report on all of the projects has not been provided to the Commission and some of the projects were reported through the Planning and Development.

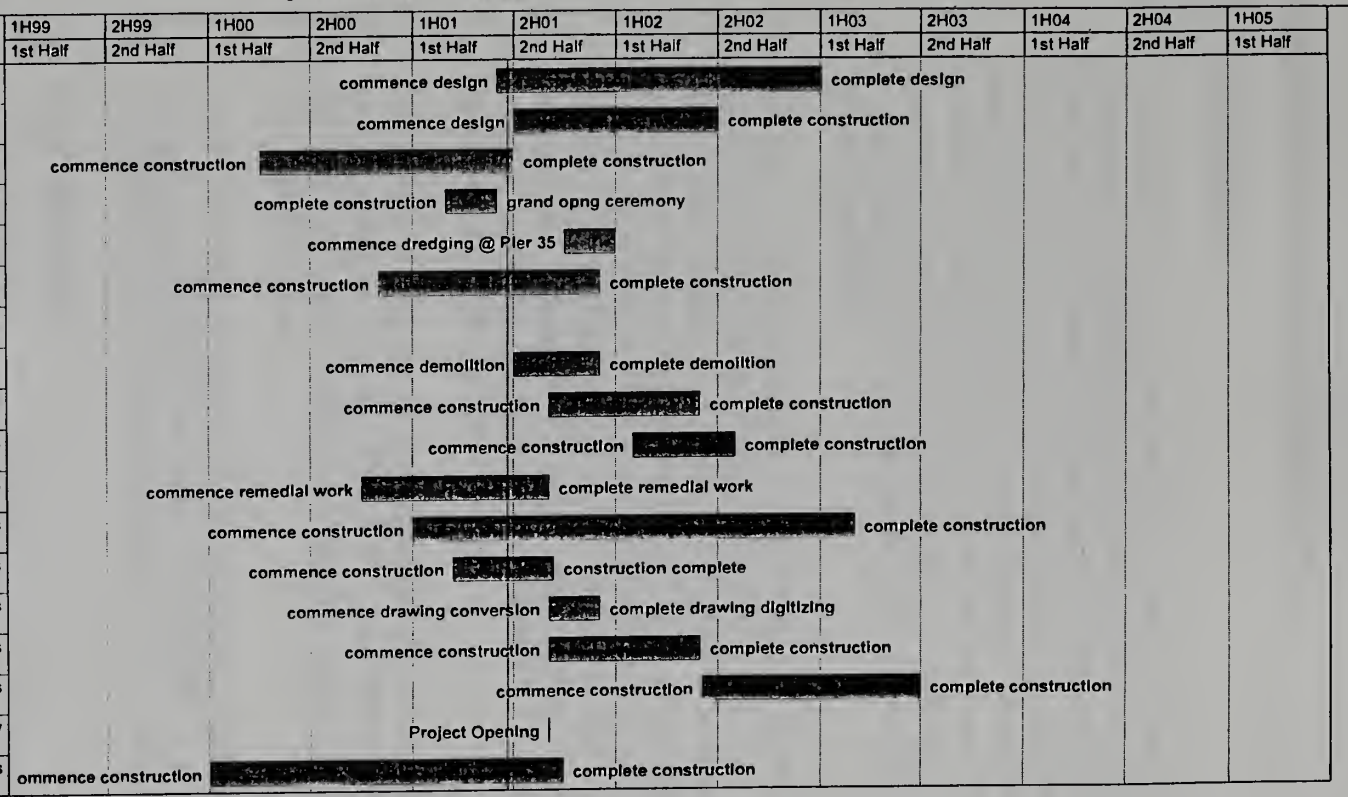
Attached are Project Summary Sheets for each of the Port sponsored facilities maintenance and capital projects currently underway by Facilities & Maintenance staff. This report is intended to provide the Commission with a brief status on the division's activities.

Prepared by: Alex Lee, Director
Facilities & Maintenance

This Print Covers Calendar Item No. 8A

CAPITAL PROJECT SCHEDULES

ID	Task Name	Duration
1	ADA Transition Plan	415 days
2	Pier 45 Shed C Development	261 days
3	Fisherman's Wharf Octagon Bldg. Restroom	325 days
4	Hyde Street Harbor Improvements	67 days
5	Maintenance Dredging	66 days
6	Pier 1-1/2 to 5 Marginal Warf Repair	284 days
7	Pier 48 Seismic Upgrade	0 days
8	Pier 34 Demolition	111 days
9	Pier 43 Arch Restoration	194 days
10	Pier 52/54 Public Boat Launch	130 days
11	Pier 35 Escalator/Elevator Design/Build	241 days
12	Pier 50 Office Improvements	566 days
13	Pier 48 & 50 Fire Protection	129 days
14	Rasterizing Engineering Drawings	66 days
15	Fisherman's Wharf Seawall Repair	194 days
16	Illinois Street Bridge	281 days
17	Ferry Building	1 day
18	Downtown Ferry Terminal	455 days



Project: ENGINEERING PROJECT SC
Date: May 30, 2001

Task — Milestone — Rolled Up Split — External Tasks
Split — Summary — Rolled Up Milestone — Project Summary
Progress — Rolled Up Task — Rolled Up Progress

AMERICANS WITH DISABILITIES ACT TRANSITION PLAN

PROJECT MANAGER	Kevin Jensen
PROJECT DESCRIPTION	Port of San Francisco's Accessibility Transition Plan (draft). This Plan is mandated by the ADA, and is part of a citywide plan that is administered by the Mayor's Office on Disability (MOD). The plan is to describe a prioritized list of capital projects that are intended to remove barriers to accessibility for persons with disabilities in facilities within the Port of San Francisco's jurisdiction. Federal, State and Local regulations, codes, ordinances, and resolutions describe when and what type of work is required.
STATUS	The Port's draft transition plan was started in 1992 and was last updated in 1997. The plan requires updating, due in part to current and anticipated development projects as well as changes in the lease status of several facilities. There are a significant number of facilities that were not originally surveyed to ascertain their transition plan status. These facilities will be surveyed and included in the plan as part of planned work to be done by a consultant contracted through the MOD. This contract proposal is currently in development.
APPROVALS	Port staff will be updating and expanding the current draft transition plan in the years 2001-2. The current draft plan is on file with the Mayor's Office on Disability as part of the overall City Transition Plan.
PROJECT COST	Total costs will be estimated as part of the plan update. Funding for updating the plan in the amount of $500,000 is included in the approved capital plan amendment for 2001 – 2002.
CONSULTANT	To be determined.
SCHEDULE MILESTONES	Overall schedule for update of the ADA Transition Plan is currently being developed. Currently the proposed project schedule anticipates start of facility surveys by the consultant as early as June 2001, with final plan completion and Port Commission adoption by approximately January 2003.

PIER 45 – SHED C – DEVELOPMENT

PROJECT MANAGER

Mojgan Yousefkhan

PROJECT DESCRIPTION

Provide architectural and engineering up-grades to the shell of Shed C to permit leasing and development by the tenants for fish processing and other activities related to the fishing industry and maritime operations associated with Pier 45 and the Fisherman's Wharf area.

Two other fiscal year 2001-2002 design efforts are being coordinated with this project: ADA and Title 24 mandated accessibility work for all of Pier 45; and re-working the western apron – in front of Sheds B and D – in response to structural and environmental concerns. Both projects will be funded separately.

STATUS

The project is in the needs assessment phase. Port staff has completed a survey of the key stakeholders and is in the process of issuing a report of those findings. In addition a series of conceptual diagrams have been prepared to further define the needs of the community. The design team will consist of Port staff, supplemented by design review services from outside consultants.

PROJECT COST

$4,450,000	**Total Allocated Budget**
$ 630,000.	Design
$ 270,000.	Project Management
$ 3,550,000.	Construction

CONSULTANTS

Rajappan & Meyer Consulting Engineers
Kahn & Associates

SCHEDULE MILESTONES

July, 2001	Projected start of design
December, 2001	Projected start of Construction Drawings
Summer 2002	Bid

FISHERMAN'S WHARF OCTAGON BUILDING RESTROOMS

PROJECT MANAGER	Kevin Jensen
PROJECT DESCRIPTION	Reconstruct the public access restrooms at the south side of the Octagon Building at the corner of The Embarcadero and Taylor, SWL 301. The project is to completely rebuild the men's and women's restrooms in this facility, including plumbing, ventilation, finishes, and lighting.
STATUS	The Port Engineering Department prepared working drawings and specifications. These drawings were modified, as field conditions were uncovered in the demolition of existing materials. Various Port Maintenance and DPW Shops have worked on the project. Custom ceramic tile murals designed by Bernie Andia have been installed and the facilities have been reopened to the public. Construction work remaining includes final light fixtures and completion of related ceiling soffit finishes, and additional exterior fencing with planters.
APPROVALS	The schematic designs were approved by the Fisherman's Wharf Tenant's Association.
PROJECT COST	Total project cost of Approx. $170,000 is to be funded by a combination of Port Operating Budget and Capital funds.
CONSULTANT	None.

SCHEDULE MILESTONES

April, 2000	Working drawings and specifications complete.
April, 2000	Begin Construction
July, 2000	End of primary construction to reopen to the public.
July, 2001	Complete all construction.

HYDE STREET HARBOR IMPROVEMENTS PROJECT

PROJECT MANAGER

Mojgan Yousefkhan

PROJECT DESCRIPTION

The Hyde Street Harbor project has been divided into two distinct construction projects: the Hyde Street Harbor Waterside Improvements Project and the Hyde Street Harbor Landside Improvements Project.

The main waterside project components include: Harbor consisting of a 60 berth fishing facility, accessible gangway and floating walkways, and sewer, bilge and electrical utilities.

The main landside project components include: new utilities along Hyde Alley, including a new asphalt paved surface, partial demolition of the 490 Jefferson building to accommodate a new 24 car parking lot, new parking lot at the North end of Hyde Alley to accommodate 21 parking stalls, new bathroom, utility and storage facility located within the existing blue shed building on Hyde Alley, public and disability access from Jefferson Street to the public access area at the North end of Hyde Alley.

STATUS

This project has been successfully completed and has been in operation since the beginning of June.

PROJECT COST

Waterside:

$2,400,000 (Actual Cost)

Landside:

$2,310,571 (representing the base and alternative work items plus a 10% contingency)

CONTRACTOR

Waterside:

Peak Engineering Inc – The firm is a certified MBE and LBE contractor and successfully met the MBE and WBE contracting goals.

Landslide:
Proven Management Inc- The firm is a certified MBE and LBE contractor and successfully met the MBE and WBE contracting goals.

SCHEDULE MILESTONES

March, 2001	Completion of construction
May, 2001	Projected starting date of operation
June, 2001	Grand opening ceremony

Maintenance Dredging

Project Manager	Ed Byrne
Project Engineer	Ken Chu
Construction Manager	Leo Bragagnolo
Project Description	The last dredging site, Pier 35 East and West berths, is now complete. The contract will remain open to dredge Pier 94 as required by Maritime. Ken Chu is currently working on the new bid documents for the new two year dredging contract for 2000-2001.
Status	Dredging under the new Maintenance Dredging Contract will begin in October 2001.
Approvals	Port staff submits permit applications to BCDC, the Army Corp of Engineers, and the Regional Water Quality Control Board for each dredging site for each dredging episode. Obtaining these permits and authorization to proceed in a timely fashion from these agencies for the dredging to occur on schedule has been a considerable challenge to Port Staff.
Project Cost	Dredging cost for the Summer/Fall of 2001 is currently estimated to be $2.5 million.
Consultant	None
Schedule Milestones	Fall 2001: Continue maintenance dredging at Pier 35 East.

PIER 1-1/2 TO 5 MARGINAL WHARF REPAIR

PROJECT ENGINEER	Ed Byrne
CONSTRUCTION MANAGER	Lloyd Soohoo, Camp Dresser & McKee
DESCRIPTION	This work is limited to the repair of the first bay of marginal wharf adjacent to the seawall from Pier 1 ½ to the south wall of the Pier 5 bulkhead. Through two change orders, the scope of repair work was expanded to include the full three bays of depth at Pier 3. The scope was expanded to maintain required public access through the Pier 3 breezeway to the ferryboat *Santa Rosa*. The remainder of the marginal wharf repair will be done as part of a development project(s). Under a MOU with DPW, $738,871 will be funded from the Mid-Embarcadero Project for the marginal wharf repair work. Port will fund any additional repair costs above this amount and the architectural aspects of the work. Due to unforeseen conditions this project was reduced in scope to include only the Pier 3 main entrance and the Pier 3 Public Accessway repairs. The unforeseen conditions include additional pile deterioration and repair, and significantly increased beam repair over that shown on the original bid documents.This work is only a small portion of the overall marginal wharf repair for Piers 1 ½ to 5. The remainder of the marginal wharf repair will be done as part of a development project. The potential developer of this site has been made aware of these previously unknown substructure conditions which will affect improvements made at this facility.
STATUS	Project is on hold pending detail revision by Structus.
PROJECT COST	$2,298,547 (Construction cost estimate phase including change orders 1, 2 and 3)
CONSULTANT	Structus Consulting Engineers
CONSTRUCTION CONTRACTOR	Power Engineering Inc.
SCHEDULE MILESTONES	Construction Complete: December 2001

PIER 48 SEISMIC UPGRADE

PROJECT MANAGER	Ed Byrne
PROJECT DESCRIPTION	The Port's Chief Building Official has determined that the November 1996 fire at Pier 48 destroyed a sufficient amount of the pier shed's structural components to trigger a San Francisco Building Code requirement for a seismic upgrade to the facility. Seismically upgrading this pier would include additional substructure piling and reinforcement designed specifically to resist earthquake loads as prescribed by Code requirements. The shed will also require seismic bracing and reinforcement.
STATUS	The insurance carriers are disputing the Port's position that a seismic upgrade is required. The carriers' believe that the sustained shed damage was less than the code prescribed limits and therefore an upgrade is not required. Potentially this dispute could result in a court case to resolve the required code application.
APPROVALS	BCDC permits classifying this work as maintenance have been received for this work. The permitting will need to be reviewed prior to construction.
PROJECT COST	Cost estimates for this work vary from $6.0 million to $8.5 million depending on the type of seismic bracing system installed.
CONSULTANT	Structus, GKO, Moffatt & Nichol, Treadwell & Rollo
SCHEDULE MILESTONES	TBD

PIER 34 DEMOLITION

PROJECT ENGINEER	Ed Byrne
CONSTRUCTION MANAGER	Leo Bragagnolo
PROJECT DESCRIPTION	Demolish and dispose of Pier 34.
STATUS	This project has been re-bid and Zaccor Companies, Inc, is the low bidder. Commission awarded the bid on May 8th and demolition is due to begin in June. A request for release of funds has been sent to the Board of Supervisor's Finance Committee.
PROJECT COST	Project low bid is $787,618.
SERVICE PROVIDER	Port Engineering developed the construction bid documents.
SCHEDULE MILESTONES	Bids Due 11 April 01 Award May 01 NTP July 9, 01 Complete December 1, 01

PIER 43 ARCH RESTORATION

PROJECT ENGINEER	Joe Roger
PROJECT DESCRIPTION	On July 14, 1998, the Port declared an emergency on the fire damage to the Pier 43 Arch. The arch restoration follows the emergency disassembly and shoring contract that is now complete. The arch restoration will be a competitively bid and will include the repair and restoration of the arch to its pre-fire condition, seismic upgrade and required structural repairs. Also the counterweights will be removed to reduce the earthquake loads acting on the structure. Insurance proceeds will fund the fire damage repair work and the Port will fund the required structural repairs.
STATUS	The Port's insurance company has agreed to fund the fire repair work which is the base bid work. Port capital funding will fund the seismic upgrade, structural repairs and removal of the counterweights to the extent that funds are available. These items are being bid as alternate bid items. The bids for this project are due on June 21, 2001.
PROJECT COST	$1.1 million cost estimate depending on extent of required restoration. This estimate includes the cost of executing the base bid work and all of the alternate bid items.
CONSULTANT	Architectural Resources Group
SCHEDULE MILESTONES	Advertise Contract: Spring, 2001 Award Contract: Summer, 2001 Construction Start: Fall, 2001 Construction Complete: Spring, 2002

Pier 52/54 Public Boat Launch

Project Engineer	Ken Chu
Project Description	The total project scope for the new Pier 52/54 Public Boat Launch includes a new pile-supported double lane boat launch ramp, two boarding floats, a disability access gangway and guest dock, a 40 space vehicle/boat trailer parking lot, and roadway and landscaping improvements throughout the Pier 52/54 site. In addition, outdoor public access and landscaping will be improved from its current condition.
Status	Bids were opened in December 1998. The lowest responsive bid was much more than available funding. Catellus expedited its development plans for Mission Bay. The Catellus plans changed the Terry Francois Blvd alignment and impacted the Pier 52/54 Parking Lot design. The realignment of TFB requires repositioning and re-design of the parking lot, changes to the boat launch and the addition of a Bayside Walk. The Port received an additional $1.023 million funding from Department of Boating and Waterways, State of California. Port staff are working on contract modification to have the consultant redesign the project.
Approvals	The Maher Ordinance study has been completed in June 1999.
Project Cost	The total funding available for this project is $2.7 million
Consultant	ARCUS Architecture & Planning.
Schedule Milestones	Amend Arcus agreement – April to June 2001 Detailed Engineering - June to August 2001 Construction Bid and Award – August to December 2001 Construction – February 2002 to August 2002

PIER 35 ESCALATOR / ELEVATOR DESIGN / BUILD

PROJECT MANAGER	Kevin Jensen
PROJECT DESCRIPTION	A capital improvement project to provide final design services and construction of passenger terminal circulation and accessibility improvements. Work includes a new passenger elevator, two escalators, and a stair serving the second floor passenger waiting areas and gangways. Work also includes new passenger services support spaces, as well as sandblasting old paint from most of the interior of this heavy-timber shed.
STATUS	Port Engineering Department staff prepared scope of work drawings and specifications, and issued the documents for bidding in July 1996. Work was awarded to CICO-R&W, J.V. and notice to proceed was issued in Sept. 1996. Work was required to be completed by April 1997. After many disputes and delays, the contractor J.V. filed bankruptcy and Safeco, the bonding company, took over the project. The City subsequently filed a lawsuit against the contractor, which was successfully resolved via mediation in Sept. 2000. As part of the mediated settlement, R&W Concrete and DuPont Flooring are currently performing remedial design and construction work to correct deficiencies and omissions in the work.
PROJECT COST	The bid price for the project of $1,090,427 plus 10% contingency is funded by Port Bond funds.
CONSULTANT	None.

SCHEDULE MILESTONES		
	4th Qtr., 2000	R&W and DuPont Flooring to begin mediated remedial work.
	1st Qtr., 2001	Remedial work was to be completed, barring supplier delays, etc.
	3rd Qtr., 2001	Work is expected to be complete. All design work is completed and some construction work is done. Remaining work involves replacing 2 exterior windows & an exit door, and installing an escalator and elevator pit sump pump system.

Pier 50 Office Improvements

Project Manager	Kevin Jensen
Project Description	A capital improvement project to complete the improvements to Pier 50 Shed D Maintenance Department. Work includes a new limited-use limited-access (LU/LA) passenger elevator serving the second floor offices, as well as accessibility improvements to restrooms on the first and second floors, and all shop office areas.
Status	Port Engineering Department staff has prepared working drawings and specifications to 95% completion, and will be issuing the documents to the Port's maintenance department midyear. Shop Drawings and Construction are expected to take approximately 12 months. Work is anticipated to be completed with a combination of Port Maintenance staff and purchase order for the LU/LA. Port has established a structural infeasibility condition for issuing an Unreasonable Hardship document, allowing use of a LU/LA in lieu of a full size elevator. State approval for use of the LU/LA has been obtained as well.
Project Cost	The project is funded by $557,059 in New Maintenance Facility Loan funds, however this funding may be reduced due to redirection to other Port projects.
Consultant	None.

Schedule Milestones

3rd Qtr., 2001	Issue final working drawings and specifications to Maintenance Department for construction and issuing purchase order for LU/LA.
4th Qtr., 2001	Begin Construction
1st Qtr., 2003	End Construction

PIERS 48 & 50 FIRE PROTECTION

PROJECT ENGINEER	Skip Zeller
CONSTRUCTION MANAGER	Leo Bragagnolo
PROJECT DESCRIPTION	Install a new 12" water main in Terry Francois Blvd. From 3rd Street to Mission Rock Street, install new fire sprinklers, alarms and controls in Pier 50 Shed A, and install new fire alarms and controls in Pier 50 Shed D.
STATUS	Project is currently in construction. Completion date is September 11, 2001.
PROJECT COST	Project cost is $854,630, including $35,000 for PUC inspection of the water main, so it will be accepted by SFWD at completion.
SERVICE PROVIDERS	Port Engineering and UEB did the construction bid documents and are doing the project engineering , inspection, and contract management.
SCHEDULE MILESTONES	NOTICE TO PROCEED — MARCH 15, 2001 COMPLETE — SEPTEMBER 11, 2001

Rasterizing Engineering Drawings

Project Engineer	Ken Chu
Project Description	Convert existing engineering drawings into electronic format. This project includes the training of Port Staff in the use of software used for drawing retrieval, viewing, editing, and reproduction. Converting the existing drawings to electronic format enables Port staff to view the drawings on their computers, and eliminates the need to transfer drawings from their current location to the Port's new office in Pier 1.
Status	Purchase Order was advertised in August 1999. RPM Imaging was the successful bidder for this project. First drawing shipment was sent to RPM in October 99. About 8000 digitized drawings can now be reviewed from the Port's drawing database. A public viewing station was set up for public retrieval.
Project Cost	Total engineer's estimate is $150,000.
Service Provider	RPM Imaging.
Schedule Milestones	September 13, 1999, Purchase Order was approved by City's Purchase Office. September 2001, drawing conversion completed. December 2001, drawing digitizing completed

FISHERMAN'S WHARF SEAWALL REPAIR

PROJECT ENGINEER	Joe Roger
PROJECT DESCRIPTION	Repair for deteriorated section of seawall per Declaration dated July 30, 1998. Tasks include performing a condition survey of the seawall (approximately 50' in length), designing a repair scheme and executing repair construction.
STATUS	Project design is complete. Staff is currently preparing Project Manual. Construction bidding will follow shortly.
APPROVALS	With respect to BCDC submittal, Port Planning considers project 'maintenance.'
PROJECT COST	Estimated cost of project is $300,000. Port capital fund contribution is over $300,000.
CONSULTANT	Olivia Chen Consultants

Schedule Milestones

Summer, 2001	Advertise for Construction
Fall, 2001	Construction Commences
Spring, 2002	Construction Complete

ILLINOIS STREET BRIDGE

PROJECT MANAGER

Nieret Mizushima

PROJECT DESCRIPTION

A new bridge will be constructed across Islais Creek at Illinois Street. The bridge will be used by freight trains serving Pier 80 from the ICTF as well as local truck traffic. The bridge will significantly reduce rail distance from both the main line (from present 3.3 miles to 0.66 miles) as well as between the North and South Cargo Terminals (from 4 miles to 0.2 miles). Completion of this bridge will allow the freight rail service tracks to be eliminated in the Mission Bay Development area and will also result in fewer interface points between the future 3rd Street Light Rail and the freight rail. The bridge is proposed to be a lift-segment moveable type rather than a fixed type in order to accommodate occasional dredging and maintenance vessels in the Islais Creek waterway.

STATUS

A consultant will be completing the preliminary design and cost estimate within the next quarter. As an accelerated completion of the project will substantially benefit the multi-phased Mission Bay Development and the 3rd Street Light Rail projects, Port staff are working with Catellus and MUNI to coordinate the projects. The environmental review as part of the Southern Waterfront Supplemental Environmental Impact Report (SWSEIR) has been completed and certified. Permitting discussions with the Coast Guard and other pertinent agencies will begin shortly.

PROJECT COST

The previous cost for the project is estimated at $7.1 million, however, this estimate will be updated with the completed preliminary design. Secured funding for the bridge includes a $4 million grant in STIP funds and a $2.5 million contribution from Catellus. Additional funding will likely be required, but will be confirmed in the consultant cost estimate.

CONSULTANT

URS

SCHEDULE MILESTONES

July 2001	Preliminary design and cost estimate.
May 2002	Complete Design and Advertise Construction
June 2002	Start Construction
June 2003	Construction Complete

FERRY BUILDING

PROJECT MANAGER	Mary Ilyin
DESCRIPTION	The Ferry Building Project is defined by the Development Agreement between the Ferry Building Investors (FBI) and the Port of San Francisco. The project will restore and recreate many of the historic features of this landmark, and will return the second floor nave to public space. The Port's new Commission Hearing Room will be on that floor, located in the center of the building, on the east side. The ground floor will be primarily a retail food market with restaurants anchoring the north and south ends of the building. There will also be various points of access through the building from east to west and north to south. There will be office space on the second and third floors. The ground floor work is closely coordinated with the Downtown Ferry Terminal Project, to create better Ferry access, to provide new and improved promenades around the building and to coordinate and improve lighting and signage for the area and its nearby facilities.
STATUS	The Development Agreement has been duly executed and approved by the Commission. Escrow was closed the first week of April 2001. Removal of hazardous materials and demolition are underway. The completion date is currently September 2002.
APPROVALS	No further approvals anticipated.
PROJECT COST	Base construction cost for this project is $44,500,000.
CONTRACTOR	Plant Construction is the General Contractor for the Project.
SCHEDULE MILESTONES	September 2002 Project Opening

DOWNTOWN FERRY TERMINAL

PROJECT MANAGER

Nieret Mizushima and Elizabeth Teien

DESCRIPTION

The Downtown Ferry Terminal project, funded with a combination Federal, State and Port resources, consists of two new world class ferry terminals, a protective breakwater, public access improvements, and improved signage.

The new and renovated facilities will solve a number of challenges associated with scheduling arrivals and departures of numerous ferry operators, as well as provide increased opportunities for additional ferry runs or new ferry routes. Ferry operators currently using the facility and slated to share in the new facility include Blue and Gold Fleet, Red and White Fleet, Alameda-Oakland Ferry, and Harbor Bay Ferry.

STATUS

The work for east promenade, phase II is currently underway. The work requires close coordination with the Ferry Building Renovation Project. The completion of the floats for the north and south terminals has been delayed due to problems with the superstructure coating system. The contractor is currently addressing the issue and staff will negotiate a new schedule for completion and the associated liquidated damages. The project completion is anticipated in September 2001 with the new terminals open by August.

APPROVALS

No further approvals anticipated.

PROJECT COST

The current construction costs for this project are $16.5 million. Project is funded with a combination of federal, state and Port capital funds.

CONTRACTOR

Miller/Thompson Constructors – The construction firm is a woman-owned disadvantaged business enterprise (DBE) and successfully met the Federal DBE contracting goals.

SCHEDULE MILESTONES

January 2000	Issue Notice to Proceed (completed)
August 2001	Open new South Terminal
September 2001	Open new North Terminal, Remove Pier ½ Float
September 2001	Construction complete

55
3
1/26/01
.2

DOCUMENTS DEPT.

JUL - 6 2001

SAN FRANCISCO
PUBLIC LIBRARY

07-06-01P12:24 RCVD

SAN FRANCISCO
PORT COMMISSION

JUNE 26, 2001
MINUTES OF THE REGULAR MEETING

MEMBERS, PORT COMMISSION

HON. KIMBERLY BRANDON, PRESIDENT
HON. BRIAN McWILLIAMS, VICE PRESIDENT
HON. DENISE McCARTHY
HON. MICHAEL HARDEMAN
HON. PIUS LEE

DOUGLAS F. WONG, EXECUTIVE DIRECTOR

CITY & COUNTY OF SAN FRANCISCO
PORT COMMISSION

MINUTES OF THE MEETING
JUNE 26, 2001

1. ROLL CALL

Commission President Kimberly Brandon called the meeting to order at 4:05 p.m. The following Commissioners were present: Kimberly Brandon, Brian McWilliams, Denise McCarthy, Michael Hardeman and Pius Lee.

2. APPROVAL OF MINUTES - June 12, 2001 Regular Meeting

Commissioner Hardeman made an amendment to page 10 of the minutes of the meeting.

ACTION: Commissioner McWilliams moved approval as amended; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor; the minutes of the June 12, 2001 meeting were adopted.

3. EXECUTIVE

A. Executive Director's Report: Mr. Wong reported the following:

- Fourth of July Celebration at Fisherman's Wharf: The San Francisco Chronicle's Fireworks and Waterfront Music Festival will celebrate Independence Day with a day filled with entertainment and spectacular night time fireworks. This annual family event takes place along the San Francisco waterfront from Aquatic Park along Fisherman's Wharf to Pier 39. The fireworks extravaganza begins at 9:30 p.m. and can be seen from any point between Aquatic Park and Pier 39, and from boats on the bay, from the Marin Headlands and from points in Sausalito and Tiburon. The Port is a major sponsor of this exciting event, which draws thousands of people to San Francisco's waterfront.

- Harry Bridges 100th Anniversary Parade and Plaza Dedication Ceremony on July 28, 2001: On July 28, 2001, the San Francisco Bay Area Longshoremen Memorial Association and ILWU Local 10 will sponsor a naming ceremony that will begin with a parade/march starting at the Local 10 Union Hall located at 400 North Point and conclude at the plaza in front of the Ferry Building commemorating the 100th birthday of labor leader Harry Bridges, followed by a dedication ceremony officially naming the plaza, "Harry Bridges Plaza."

  Commissioner McWilliams indicated that there has been some discussion the last couple of years about naming the plaza, "Harry Bridges Plaza." This project will memorialize a very colorful and dynamic history of this country and what it has meant to the working people and the people of the City where Harry made his home; the impact that Harry has had in the City and the labor movement. The

Harry Bridges Plaza, at the center of the new ferry plaza, would be the appropriate venue on Port property. The plaza would be the new gateway to the City. July 28 is a longshore industry holiday and it marks the 100th anniversary of Harry's birth and it would be an appropriate time to celebrate Harry Bridges' contribution to the City and the labor movement. He asked the Commission to request Port staff to facilitate the coordination of work with other City agencies in order to make July 28 a memorable civic affair.

Henry Graham, ILWU Local 10 President, indicated that on Saturday, July 28, 2001, the ILWU Local 10 in conjunction with the Bay Area Longshoremen Memorial Association and ILWU Pensioners Club will be sponsoring a parade and rally to celebrate the 100th birthday of Harry Bridges. The commemoration of this prominent labor leader and fighter for social and economic justice will provide an opportunity for labor and the community to celebrate his legacy and contribution to working people. He invited the Commission to join them in this momentous occasion and appreciates any brief remarks or recollections of Harry at a rally at the union hall at the conclusion of the parade. The parade will convene at 10 a.m. at the music concourse park which is located at Market and Steuart Street adjacent to Justin Herman Plaza. There will be two motorized cable cars available for guests. The rally will start at 12 noon.

Grif Fariello, Chairman for the Committee for Harry Bridges, indicated that the people of San Francisco and the Port Commission have an important and unique opportunity waiting on July 28. Not only to honor one of its great citizens, a man of vision and integrity and one of America's great labor leaders but also the working men and women, union and non-union, who helped built this City and make it a great progressive town that it is today. He hoped to see this event a coordinated effort. They have been working with the City and State government to declare July 28, Harry Bridges Day. This is an opportunity, especially considering the temper of times in Washington, D.C., for San Franciscans to stand up for labor and stand up for the rights of working people and civil liberties, the visions for which Harry stood up for all his life.

Ernestine Weiss indicated that Harry Bridges was somebody we could be proud of and the likes we don't see too much of anymore. She urged the Commission to celebrate July 28 as Harry Bridges Day.

Commissioner McWilliams reiterated his earlier remarks for the Commission to ask Port staff to facilitate the efforts so that it could be done in a timely manner and the City event could take place on July 28.

Commissioner Brandon asked what specifically would Port staff be involved in. Commissioner McWilliams replied that staff would be involved in the logistical problems of coordinating with the different City agencies that have jurisdiction over the plaza. At some point, the plaza is going to be officially dedicated by the City. There is no better time for that to happen than July 28, the 100th anniversary of Harry's birth. To accomplish that, staff has to coordinate with all the affected agencies. Instead of doing that in some innocuous time in the future, he asked for professional help from staff to make it happen or overcome whatever obstacles

there are in order to make July 28 a City celebration and an official event.

Commissioner Brandon asked what has been done to get the plaza named after Harry Bridges. Commissioner McWilliams indicated that the Port Commission and the Board of Supervisors have passed resolutions naming the plaza after Harry Bridges but the actual dedication has not happened.

Mr. Wong indicated that he will work with Port staff in putting an outline together of what needs to be accomplished and will meet with Mr. Fariello and his group to get the process moving. He also asked Commissioner McWilliams to attend the meeting.

Commissioner Brandon requested that staff provide the Commission a status report on this item at the next Commission meeting.

Commissioner McWilliams indicated that at some point, there would be an official City celebration. He indicated that a monument is in the process of being designed and funded in conjunction with Port staff. Dan Hodapp of the Planning & Development Division is coordinating the work. A fundraising project is underway that would not only create a monument but would fund it in such a way that the Arts Commission requires that it would be maintained over a period of years.

4. OPERATIONS

A. Request for approval of Executive Director's Compensation for Fiscal Year 2001-2002. (Resolution No. 01-47)

Ms. Kathy Mallegni, Human Resources Manager, presented the item and requested the Commission's approval.

Commissioner Lee commented that in order for the Commission to give the Executive Director a raise, the subcommittee should evaluate the director's performance, which was agreed upon on September 19, 2000. The subcommittee's recommendations were as follows. The Port Director has to:

1. Improve communication with Commissioners and directors of each department;
2. Improve leadership abilities and develop leadership skills. Port director should understand all issues relating to the Port activities;
3. Justify all foreign trips; must be related to promote Port businesses;
4. Increase net revenue and reduce expenses. Justify all expenses: breakdown of expenses on buildings or piers; breakdown on incomes on each building.
5. Pay more attention on management: 78% of Port income comes from commercial.
   - Take care of all complaints and correct all code violations on time;
   - Regular inspections on all piers and buildings every 3 or 5 years;
   - Don't defer maintenance;
   - Plan to develop or improve low income piers or buildings.
6. Develop program to promote maritime business and cruise ship business.

7. Perform Internal Audit.

Commissioner Lee commented that it would be too soon for the Commission to make a recommendation since the subcommittee has not evaluated the director's performance.

Commissioner Brandon indicated that approval of this item at this time was necessary because it has to be done before the end of the fiscal year. Since this item was thoroughly discussed in executive session at the last meeting, the Commission would vote on this matter at this time.

Commissioner McWilliams remarked that since time is of the essence, the Commission has to act on this matter now. He indicated that in order for the subcommittee to have sufficient time to evaluate the director, he suggested that for next year, this item should be calendared ahead of time

Commissioner Brandon suggested that for the next fiscal year, the subcommittee should evaluate the Director ahead of time so that the Commission would be prepared to vote. Commissioner Lee indicated that since the item only appeared at last meeting's agenda, the subcommittee did not have time to evaluate the director. It would be up to the Personnel Director to inform them when the director is scheduled for a raise so they can evaluate the director ahead of time.

Commissioner Brandon requested Ms. Mallegni to meet with the subcommittee two months before this item is presented to the Commission in order for the subcommittee to evaluate the director. She suggested that the subcommittee come up with new guidelines for the new fiscal year. Commissioner McCarthy opined that all the Commissioners should agree to the guidelines prior to the evaluation.

ACTION: Commissioner McCarthy moved approval; Commissioner McWilliams seconded the motion. Four of the Commissioners were in favor; Commissioner Lee cast the dissenting the vote. Resolution No. 01-47 was adopted.

B. Request authorization to execute Contract Modification No. 1 to Contract No. 2659, "Pier 98 Landscaping and Trail Construction," with San Francisco Urban League of Gardeners. (Resolution No. 01-48)

Ms. Carol Bach, Environmental Health & Safety Manager, presented the item and requested Commission's approval.

Parin Shah, SLUG, thanked the Commission for their support. SLUG has been an advocate and the leader in the Bayview Hunters Point community to provide for open space and enhance significant natural habitat areas. They have been blessed to be able to work on the project at Pier 98 and Heron's Head Park. It provided an incredible opportunity for job training in the field of habitat restoration, especially wetlands restoration. The contract modification would allow them to engage the community a little bit more in understanding the value and significance of the land. He thanked the Commission for their support of SLUG.

Commissioner McCarthy inquired about the time line of the contract. Ms. Bach replied that the term of the contract will end at the end of 2002 and this modification would not extend the term of the contract.

ACTION: Commissioner Lee moved approval; Commissioner Hardeman seconded the motion. All of the Commissioners were in favor. Resolution No. 01-48 was adopted.

5. MARITIME

A. Request for approval of CEQA findings for the Pacific Cement Company Maritime Industrial Lease at Pier 92 (SWL 352) as analyzed in the Southern Waterfront Program Supplemental EIR which supplements the Waterfront Land Use Plan Final Program EIR. (Resolution No. 01-49)

Mr. Peter Dailey, Director of Maritime, indicated that Pacific Cement Company currently operates a concrete ready-mix facility at Seawall Lot 355, which is within the boundaries of the Muni Metro Maintenance Facility. Pacific Cement has been working with Port staff to move their operation and to construct a new facility at SWL 352, a location that provides access to deep water berths that will make the movement of aggregate by barge or ship as opposed to truck easing truck traffic off the City streets and bridges.

The Port has identified bulk cargo such as sand, aggregates and cement as well as other construction materials as an area of substantial growth, which was verified by the Maritime Industrial Plan. Sourcing of material such as aggregate from Canada and Mexico has replaced diminishing domestic supply. Northern California in light of such large construction projects such as Mission Bay, UCSF Campus, Downtown Ferry Terminal, Third Street Light Rail Extension, Moscone Expansion, Caltrans Bay Bridge retrofits and construction, the Port of San Francisco finds itself geographically positioned to take advantage of this large movement of ocean-borne cargoes. He provided the Commission a copy of an article regarding the West Coast "Rock Crush." The article mentioned that the San Francisco Bay Area alone will require up to 12 million tons of rock and aggregate this year, mostly coming by barge or ship. If the San Francisco runway extension will take place, that project may take as much as 20 million tons of aggregates. Pacific Cement is committed to moving at least 200,000 metric tons a year of cargo through their facility by ship. Along with Bode and other bulk operation soon to commence at Pier 94, the Port is poised to take advantage of this unique opportunity.

Diane Oshima, Planning & Development, indicated that the Pacific Cement lease proposal was not called out as one of the specific industry group proposed leases in this area. As a result, staff went back to the major environmental assessment division of the Planning Department to do some additional analysis to determine whether the supplemental EIR was adequate in its scope to cover the environmental impacts that would be associated with Pacific Cement opening a concrete batching operation with the importation of aggregate coming to the Port terminals and issued an addendum to the Southern Waterfront Supplemental EIR which was included in the staff report. It concluded that there wouldn't be any new significant impacts, changes or circumstances associated with the operation because the overall level of concrete

batching that could occur on Port property even with the Pacific Cement operation would be monitored. The Port has made a commitment, as one of the mitigation measures, that staff would be taking monthly reports on the production volumes from any asphalt or concrete batch operator, monitoring the levels that are being produced to ensure that they do not exceed the level that were assumed in the EIR analysis. Pacific Cement has agreed to, as a lease condition, to abide by that mitigation measure. The environmental documentation is covered by the Waterfront Land Use Plan EIR, the Supplemental EIR and the addendum to the Supplemental EIR.

The Pacific Cement finding package is pretty identical to the package of Bode Gravel/MVR concrete batch lease with one discrepancy i.e. the mitigation measure E2a regarding compliance with the Maher Ordinance. The mitigation language shown was verbatim from what was presented in the EIR. The original mitigation measure made a distinction between the Bode Cement lease and the other concrete operators. Bode had already started the Maher process when the EIR was done. The mitigation measure made a distinction, recognizing that Bode had started the Maher Compliance even though the EIR had not been done at the time. All the proposed concrete operators, including RMC and Pacific Cement, have not started the Maher Ordinance compliance process. The language shown on page 6 that was deleted would be applicable to the Pacific Cement lease because they have not initiated their compliance with the Maher Ordinance. They are required to do a site investigation and sampling of the soils on the site to determine if there are any hazardous materials on the site. If hazardous materials are found, the Public Health Department, as part of the Maher Ordinance Compliance process, requires remediation and soil management. Pacific Cement as well as any other concrete or other tenants would be required to go through the steps if they would be excavating their site and generating soil in excess of 50 cu.yds.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 01-49 was adopted.

B. Request for approval of Maritime Industrial Lease with Pacific Cement Company for space at Pier 92 (SWL Lot 352) for use as a maritime bulk cargo terminal and concrete ready-mix facility. (Resolution No. 01-50)

Mark Lozovoy, Assistant Deputy Director of Real Estate, presented the basic terms and conditions of the lease with Pacific Cement Company at Pier 92 (Seawall Lot 352), as outlined in the staff report.

ACTION: Commissioner Hardeman moved approval; Commissioner McCarthy seconded the motion. All of the Commissioners were in favor. Resolution No. 01-50 was adopted.

C. Request approval to amend Lease No. L-12120 between the Port and Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc., a California corporation, jointly and severally for property located at Pier 38 to allow permanent in-water berthing as a permitted use and to revise the site plan. (Resolution No. 01-51)
THIS ITEM WAS TAKEN OFF THE CALENDAR.

6. REAL ESTATE

A. Request for approval on a one-time basis to extend by three hours the 11:00 p.m. curfew for a special event using amplified sound to be held on August 11, 2001 at Seawall Lot 337, located between Third Street, Terry Francois Boulevard, and Mission Rock Street. (Resolution No. 01-52)
THIS ITEM WAS TAKEN OFF THE CALENDAR.

7. PLANNING & DEVELOPMENT

A. Informational Presentation on the Status of Planning & Development Projects.

Byron Rhett, Director of Planning & Development indicated that Planning staff is continuing to work closely with BCDC in the implementation of the Special Area Plan with regard to the two plazas: (1) Northeast Wharf Plaza which is included in the Piers 27-31 development; (2) Brannan Street Wharf Plaza which is a development adjacent to the proposed cruise terminal at Piers 30-32.

Planning staff is also involved in historic preservation issues, particularly the northern waterfront maritime historic district. In conjunction with the various stakeholders, staff will be seeking Commission's approval to issue an RFP for a consultant to assist staff in developing the historic district application. Planning staff has been working on the design criteria directly related to the rehabilitation of historic structures. Staff will seek Commission's approval of the design criteria in the form of an amendment to the Waterfront Plan, specifically, the design and access element.

Staff is working in the southern waterfront on a detailed plan for the backlands area. The Maritime Industrial Study has been completed and presented to the Commission. Following on the heels of that study, staff will embark on a detailed planning process for the backlands area. Staff will be working with the Southern Waterfront Advisory Committee as well as Supervisor Maxwell's office and other stakeholders who expressed an interest in working with Port staff in developing a plan for that area. Supervisor Maxwell has called a meeting on Thursday to begin the design process.

There are 12 major development projects underway; nine of those development projects are mixed-use projects, commercial, office and retail projects, totaling nearly 3 million s.f. of development. In addition to the office and commercial space, over 600,000 s.f. of public access areas is incorporated within those developments.

Staff has been working with the Malrite group regarding the Pier 45 project. The project was terminated on April 10. Staff is working with the Fisherman's Wharf Advisory Group and others to put together a memorandum on directions that staff could take following the termination of the Malrite development. Staff will seek direction from Commission in the next few months.

Mr. Rhett also provided the Commission a brief status report on the following projects: Pier 45, Ferry Building Rehabilitation Project, Piers 27-31 Mixed Use Recreation Project and Pier 70.

Commissioner Lee asked if the Bay Center group contacted the Port after the termination of negotiations with Malrite regarding Pier 45. Mr. Rhett replied that staff has been contact with representatives of the Bay Center, Red & White Fleet and the Pampanito as three possible users for the site. Staff has not entered into any negotiations with the other groups. Staff will present to the Commission the alternatives and seek Commission's input.

Commissioner Lee inquired about the historic landmark buildings on the waterfront; he asked about the advantage and disadvantages of developing the buildings. Mr. Rhett replied that staff would be requesting Commission's approval to issue an RFP for a consultant to assist Port staff on this matter. As part of that memorandum, staff could discuss this issue in depth and give the Commission some further insights and the Commission could decide whether to proceed with the issuance of the RFP or use Port staff instead.

Commissioner McCarthy asked about Shed B. Mr. Rhett replied that although the Pier 45 project is being led by another division and the project is geared toward fish processing, Shed B is perceived to be part of that project. Planning & Development is part of the team for the development of Pier 45.

In response to Commissioner Brandon's inquiry regarding the status of the Rincon Park restaurant, Mr. Rhett replied that staff is still meeting with the developers. The developers are still trying to secure financing for the restaurant; although as of today, they have not been successful.

Commissioner Brandon asked about the term of the negotiation period. Mr. Rhett replied that the Commission approved a development agreement for the restaurant and staff has been working with the developer to get it executed. Staff is still in a limbo because the developers have not been able to secure financing and sign the agreement. Commissioner Brandon reminded Mr. Rhett that the developer was supposed to show the Commission the final design of the restaurant. Mr. Rhett replied that since one of the concerns raised was whether or not the development might have to change its configuration in some way to be able to secure financing, they talked about phasing the restaurant. The developers put their design team on hold at this point until they figure out what they are going to be developing. Commissioner Brandon asked how long this process would be on hold. Mr. Rhett replied that staff intends to resolve this issue within the next couple of months. Staff has asked the developer to put in writing the status of the financing situation and what they need from the Port to be able to secure financing. One of the issues they raised was whether or not the Port would be open to adjusting its agreement with the developer to secure financing under these economic circumstances. Once that is received, staff would be able to make a recommendation to the Commission whether or not to proceed with the development.

Ernestine Weiss asked about the status of the Downtown Ferry Terminal project.

8. ENGINEERING & MAINTENANCE

A. Informational Presentation on the Status of Engineering & Maintenance Projects.

Alex Lee, Director Engineering & Maintenance addressed the Pier 45 issue. Staff is in the process of designing 2 or 3 layouts for the advisory group to evaluate. Staff anticipates completion of the construction drawings in December. Pending availability of funds, staff hopes to put it out to bid sometime next year.

Mr. Lee highlighted the following projects: (1) Hyde Street Harbor Project – he thanked Engineering and Maintenance for their work. The fuel dock is being repaired and should be completed within a week. (2) China Basin Shoreline Stabilization Project is completed. The Giants will landscape the park. (3) Pier 80 Fender project is almost completed. All the fenders will be replaced at Pier 80 for our shipping lines. (4) Fisherman's Wharf Restroom Project. The restroom is completely refurbished and the Port also took over maintenance of the restroom; it is one of the best looking and well maintained restrooms in the area.

The Downtown Ferry Terminal should be completed before the next update. Staff asked the contractor to redo the coating of the float to our satisfaction before delivery. The fire sprinkler project for Pier 48-50 should be completed in the next few months.

Five projects in progress are: (1) Pier 45C (2) Pier 52 boat ramp – redesign phase, (3) ADA Transition Plan, (4) Pier 43 Arch (5) Pier 34 demolition

Commissioner McWilliams mentioned about the discussions the Commission had a while back regarding a public facility at Rincon Park. He asked how the Port was able to take over a public facility inside a private kiosk. Mr. Lee indicated that the restroom has not been well designed and the Fisherman's Wharf merchants were unhappy about it. It was funded through Port capital projects. Staff did the replacement and overhauled the restroom but he was not personally happy with Boudin's maintenance of the restroom. Boudin and the Real Estate Division are negotiating reimbursement for the Port because the Port took over the maintenance of the restroom. Commissioner McWilliams indicated that he was interested in the details of that project, cost, etc.

Commissioner Brandon explained that Commissioner McWilliams was interested in knowing how the Port took over the maintenance of the restroom and what the Port received in return. She asked that the Commission be given an update at the next meeting as to what is happening with the lease in regards to us taking back the restroom and then how we have to take it over. Commissioner McWilliams indicated that the Port's experience was not efficient or cost effective to expect the private entity to maintain a public restroom. Mr. Lee replied that he would meet with Terry Picon and will provide the Commission an update.

Commissioner Lee asked how late the restroom is open. Mr. Lee replied that the restroom was originally open until 5 p.m. but was subsequently extended to 9 p.m. Commissioner Lee suggested that the restroom be open later than 9 p.m. to accommodate the tourists at Fisherman's Wharf.

Commissioner Hardeman thanked Mr. Lee and Mr. Rhett for the informational report.

9. NEW BUSINESS / PUBLIC COMMENT

Kevin Gerberding asked about status of the Pier 24 skate park. He indicated that undercover cops have been hassling BMXers. He has never seen cops hassle kids who ride road bikes or mountain bikes. The cops are targeting kids on 20 inch bikes. Commissioner Brandon replied that she was not aware that the Port is building a skate park at Pier 24. It is however prohibited to ride skateboards or rollerblades along the waterfront and the Port has no control over the police.

Victor Veysey gave the Commission an update about having a non-JCDecaux public facility bathroom at Rincon Park. Last Monday, the South Beach CAC voted to have more alternative sites. They are protecting the southern most part of the waterfront from advertising. He asked the Commission for support as he would like to talk to the Office of Emergency Services to seek funding or ideas that could be incorporated into the facility. He showed the Commission a copy of his drawings for that part of the waterfront. With regard to the grinding, he indicated that there are liability issues with people getting injured on the waterfront and the ledges are getting scraped off. There is supposedly a plan at Pier 24 but the Port is holding up the plan.

10. EXECUTIVE SESSION

ACTION: Commissioner McCarthy moved approval; Commissioner Lee seconded the motion. All of the Commissioners were in favor.

At 5:20 p.m., the Commission withdrew to executive session to discuss the following:

(1) CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION MATTER (DISCUSSION ITEM):

a. Discuss existing litigation matters pursuant to subdivisions (a) and (d) of the California Government Code Section 54956.9 (1 case).

- F. Alioto Co. v. CCSF; Superior Court Case No. 318360.

(2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR – This is specifically authorized under California Government Code Section 54956.8.
This session is closed to any non-City/Port representative. *

a. Property: Pier 30/32 and SWL 330
Person Negotiating: Port: Byron Rhett, Director of Planning & Development
*San Francisco Cruise Terminal LLC: Glen Elkington

b. Property: Pier 45, Shed B-1 and Wharf J-3
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Alioto's Restaurant: Nunzio Alioto *Nick's Lighthouse: Jeffrey Pollock
*Sabella & Latorre: Frank Sabella *The Crab House: Francis Chu

c. Property: Pier 7-½
Person Negotiating: Port: Theresa Picon, Director of Real Estate

*Waterfront Restaurant: Al Falchi

d. Property: Rincon Park
Person Negotiating: Port: Byron Rhett, Director of Planning & Development
*Redevelopment Agency: Amy Neches

e. Property: 601 Cesar Chavez Street
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Cliff's Barbecue & Seafood: Clifton Turner, Owner

f. Property: Pier 80 & 90
Person Negotiating: Port: Theresa Picon, Real Estate Director
*Municipal Railway: Kerstin Magary
THIS ITEM WAS NOT HEARD

g. Property: Pier 70
Person Negotiating: Port: Byron Rhett, Director of Planning & Development

11. RECONVENE IN OPEN SESSION

At 6:45 p.m., the Commission reconvened in open session.

ACTION: Commissioner Hardeman moved approval to not disclose any information discussed in executive session. Commissioner McCarthy seconded the motion. All of the Commissioners were in favor.

The meeting was adjourned at 6:45 p.m.